

Sale of Liquor Amendment Bill (No 2)

Government Bill

Explanatory note

General policy statement

This Bill amends the Sale of Liquor Act 1989 to provide existing licensing trusts with the option of reconstituting as community trusts with charitable, philanthropic, and related purposes. The activities of a community trust may include, but need not require, the sale of liquor. It also implements some of the recommendations of the Liquor Review Advisory Committee relating to licensing trusts.

Background

The Bill is almost identical to the Sale of Liquor Amendment Bill (No 3) as reported back to the House of Representatives by the Commerce Select Committee. The key difference is that this Bill incorporates the changes proposed by two Supplementary Order Papers to the (No 3) Bill in the name of the Minister of Justice that, among other things, addressed an issue that the Select Committee had not been able to resolve. In addition, it incorporates amendments to the conditions applying to off-licences so that wineries can sell their own wine on Easter Sunday, and provides an exception for under 18 year olds who purchase liquor on or enter licensed premises at the request of a police officer acting in the course of his or her duties.

Summary of key measures

Option for a licensing trust to reconstitute as a community trust

The Bill provides licensing trusts with the option of reconstituting as community trusts with charitable or other purposes beneficial to the

community that may include, but need not require, the sale of liquor. The key elements of the proposal are as follows:

- reconstitution may be initiated in 2 ways. The first is by resolution of a licensing trust's members followed by public notice with the opportunity for electors to call for a poll on the issue. The second is by 15% or more of a licensing trust's electors requesting the trust to hold a binding poll on whether the trust should be reconstituted as a community trust:
- the objective of a community trust is to apply its property and net profits (subject to prudent retentions) to charitable, cultural, philanthropic, recreational, and other purposes beneficial to the community in its region:
- the trustees will be elected by the residents of the former licensing trust district. The election of trustees will be held at the same time as the triennial general election of members of local authorities:
- the boundaries of a community trust will be the same as the former licensing trust district:
- the current tax treatment applying to licensing trusts (ie, that they are subject to tax) will apply to reconstituted community trusts:
- upon reconstitution, the licensing trust and the community trust will be deemed to be the same legal entity so that no tax consequences should arise from reconstitution.

Other reforms to licensing trusts

The Bill also makes a number of amendments relating to licensing trusts including—

- all local licensing trusts will be permitted to carry out business outside their area without the need to hold an expansion poll:
- all licensing trusts will be required to disclose the remuneration paid to trustees and senior managers in their annual accounts:
- all licensing trusts will be required to hold annual meetings to account to electors for the effectiveness of their performance.

Other amendments to the Sale of Liquor Act 1989 and the Sale of Liquor Amendment Act 1999

Part 2 of the Bill contains amendments that—

- permit wineries to sell their own wine on Easter Sunday;
- provide an exception to the offences by minors in sections 162 and 163 of the Act for persons who are under 18 years old and purchase liquor on or enter licensed premises at the request of a member of the police acting in the course of his or her duties;
- provide for the staggered introduction of the requirement for a general manager of licensed premises to hold a prescribed qualification, rather than the requirement applying to all general managers from the same date;
- make some minor corrections and clarifications to the Sale of Liquor Act 1989 and the Sale of Liquor Amendment Act 1999.

Clause by clause analysis

Clause 1 is the Title clause.

Clause 2 is the commencement clause. *Clauses 20 and 21* come into force when Part 2 of the Sale of Liquor Amendment Act 1999 comes into force. *Clause 28* is deemed to have come into force on 31 August 1999. The rest of the Bill comes into force on 1 April 2004.

Part 1

Amendments to principal Act relating to licensing trusts

Clause 3 states the purpose of this Part.

Clause 4 inserts new definitions of **community trust** and **public notice**.

Clause 5 recasts the obligation of a licensing trust to prepare annual accounts. The accounts must include additional information relating to: sums paid to the president of a licensing trust by way of remuneration; fees and expenses paid to the members of a licensing trust; and the number of employees who received remuneration of \$100,000 or more per annum, showing the number of such employees in brackets of \$10,000.

Clause 6 inserts a new obligation requiring a licensing trust to call a meeting of electors in each calendar year, beginning in the year 2004. At the meeting, electors must be provided with a reasonable opportunity to ask questions and discuss the licensing trust's operations.

Clause 7 repeals sections 217 to 219 of the principal Act. Those sections apply to local licensing trusts. The effect of repealing these sections is that local licensing trusts may hold liquor licences outside their districts without first having to seek electors' approval to an expansion proposal authorising them to do so.

Clause 8 inserts a new *Part 9A* into the principal Act, permitting licensing trusts to reconstitute themselves as community trusts.

New section 219A authorises members of a licensing trust to pass a resolution that the trust be reconstituted as a community trust.

New section 219B requires public notice of the resolution to be given.

New section 219C provides for electors to request a licensing trust to call a meeting of electors to discuss the resolution. If 50 or more electors request a meeting, the licensing trust must convene a meeting of electors.

New section 219D provides for a meeting of electors to confirm or revoke the resolution. If the resolution is revoked, another such resolution must not be passed for 1 year after the resolution is revoked.

New section 219E permits electors to request a poll to be held on the resolution. A poll must be held if 15% or more of electors request a poll. A poll does not have to be held if the resolution is revoked at a meeting of electors, but must be held even if confirmed at the meeting.

New section 219F permits electors to request a poll on whether a licensing trust should be reconstituted as a community trust. A poll must be held if 15% or more of electors request a poll.

New section 219G requires a licensing trust to establish a community trust if a resolution is passed at a meeting of electors or a majority of electors on a poll vote in favour. A community trust is established when a trust deed providing for certain matters is executed.

New section 219H provides for the vesting of a licensing trust's assets and liabilities in a community trust. The vesting takes place on a date to be appointed by the Governor-General by Order in Council.

New section 219I provides that a community trust is a body corporate with full rights and powers for the purpose of its objects and activities.

New section 219J requires a community trust to have a name which may be changed, but which must include the words "Community Trust".

New section 219K provides that a community trust's region is the same as the district of the licensing trust immediately before it was reconstituted as a community trust.

New section 219L specifies the purpose of a community trust.

New section 219M requires a community trust to apply its net profits to the purpose of the trust.

New section 219N requires a community trust's trust deed to contain provisions relating to certain matters.

New section 219O provides for the variation of a community trust's trust deed.

New section 219P requires a community trust's trust deed not to contain provisions inconsistent with the principal Act.

New section 219Q provides that a community trust's first trustees are the members of the licensing trust immediately before it was reconstituted as a community trust.

New section 219R requires subsequent trustees of a community trust to be elected.

New section 219S states who is qualified to be an elector of a community trust.

New section 219T provides for certain procedural matters relating to the conduct of elections of a community trust's trustees.

New section 219U authorises the Governor-General to appoint a community trust's trustees if on the day appointed for the election of trustees no persons are elected or less than the required number of trustees are elected.

New section 219V provides for the re-election, resignation, and removal of a community trust's trustees.

New section 219W specifies the categories of persons who cannot hold office as a trustee of the community trust.

New section 219X requires a community trust to prepare annual financial statements. The statements must be audited by the Audit office.

New section 219Y requires a community trust to hold an annual meeting of electors.

New section 219Z provides for the amalgamation of community trusts.

New section 219ZA provides for the liquidation of community trusts.

New section 219ZB requires any surplus assets of a community trust in liquidation to be distributed to local authorities within the community trust's region.

New section 219ZC provides for the taxation of a community trust as if it were a body corporate formed for private pecuniary gain, and provides for a licensing trust reconstituted as a community trust to be treated as the same person as the licensing trust for tax purposes.

New section 219ZD applies the Trustee Act 1956 to a community trust.

New section 219ZE provides that a community trust is to be treated as if it were a local authority for the purposes of the Local Authorities (Members' Interests) Act 1968.

New section 219ZF provides that a community trust is to be treated as if it were a local authority for the purposes of Parts I to IV of the Local Government Official Information and Meetings Act 1987.

Part 2

Other amendments to principal Act and Sale of Liquor Amendment Act 1999

Clause 9 states the purpose of this Part.

Clause 10 amends section 12(3) of the principal Act which defines **complete file** for the purposes of referring an opposed application for an on-licence to the Liquor Licensing Authority. The amendment adds a reference to the certificate by a local authority under section 9(1)(e) of the principal Act that the proposed use of the premises meets the requirements of the Resource Management Act 1991 and of the building code.

Clause 11 amends section 21 of the principal Act, which requires a District Licensing Agency to renew unopposed applications for on-licences on the same conditions. The amendments permit a District Licensing Agency to impose other conditions on an unopposed application for renewal of an on-licence.

Clause 12 makes an amendment to section 34 of the principal Act in relation to off-licences similar to the amendment made by *clause 10* in relation to on-licences.

Clause 13 makes 2 drafting amendments to section 36 of the principal Act about the conditions of off-licences. The first amendment adds reference to a District Licensing Agency to maintain consistency with amendments made in 1999. The second clarifies that specifying the types of premises that off-licences can be granted over does not override the authority to grant off-licences to auctioneers and caterers under sections 51 and 52 respectively.

Clause 14 amends section 37 of the principal Act to permit sales of grape wine and fruit wine on Easter Sunday by a person who holds an off-licence under the principal Act if the grape wine or fruit wine is made on the premises or from grapes or fruit harvested from land on which the premises are situated.

Clause 15 makes amendments in relation to off-licences similar to those made by *clause 11*.

Clause 16 makes drafting amendments to section 51 of the principal Act, which provides for the issue of caterers' licences. The amendments provide express authority rather than assumed authority for the issue of such licences.

Clause 17 is a drafting amendment to correct the numbering of a provision.

Clause 18 makes a drafting amendment to section 58(3)(e) of the principal Act.

Clause 19 makes amendments in relation to club licences similar to those made by *clauses 11 and 15*.

Clause 20 amends section 117(3) of the principal Act, as proposed to be substituted when Part 2 of the Sale of Liquor Amendment Act 1999 comes into force. Section 117(3) authorises the holder of a club manager's certificate to manage licensed premises in respect of which only a club licence is in force. The amendment would also authorise the holder of a club manager's certificate to manage

licensed premises in respect of which a special licence is in force. This is the same position as under the current section 117.

Clause 21 substitutes a *new section 117A* in the principal Act. The *new section 117A* provides for a staggered introduction of the requirement for a general manager of licensed premises to hold a prescribed qualification, rather than the requirement applying to all general managers from the same date.

Clauses 22 and 23 amend provisions in the principal Act about the renewal of managers' certificates. The amendments relate to *new section 117A* and shorten from 3 years to 2 years the life of a renewed general manager's certificate issued in the period beginning 1 month after the setting of a date for the commencement of *new section 117A* and ending on the day before that date of commencement. The intention is to shorten the period for the staggered introduction of the requirement for general managers to hold a prescribed qualification. The shortened period of renewal does not apply to a general manager who already holds a prescribed qualification when applying to renew his or her certificate.

Clause 24 makes a drafting amendment to section 130(3) of the principal Act.

Clause 25 amends section 162 of the principal Act which makes it an offence for any person under the age of 18 to purchase liquor on or from any licensed premises. The amendment provides an exception for any person purchasing liquor at the request of a member of the police acting in the course of his or her duties.

Clause 26 amends section 163 of the principal Act which makes it an offence, subject to certain exceptions, for a person under the age of 18 to be in a restricted or supervised area on licensed premises. The amendment provides another exception that the person is in the restricted or supervised area at the request of a member of the police acting in the course of his or her duties.

Clause 27 makes 3 amendments to section 229 of the principal Act, which provides for the making of regulations. The first amendment is to extend the power to prescribe the qualification to be held by general managers to include the power to prescribe the requirements for the qualifications or for a course of training which, if successfully completed or obtained, is to be treated as entitling a person to hold a general manager's certificate. The second amendment is to insert a *new paragraph (ac)* to authorise the making of regulations that prescribe the circumstances and conditions under which persons

holding a general manager's certificate at the commencement of *new section 117A* of the principal Act are to be treated as if they held a prescribed qualification for the purposes of that section. The third amendment is to substitute a *new paragraph (eb)* which, as currently drafted, authorises the making of regulations requiring licences to have endorsed on, or attached to, them a description of the land and premises they relate to. The new paragraph states the purpose of such regulations, omits the reference to land, and includes a reference to part or parts of premises. This is a drafting amendment to make the wording more consistent with the provisions of the principal Act that refer to "premises described in the licence".

Clause 28 makes drafting amendments to Schedule 1 of the Sale of Liquor Amendment Act 1999.

Regulatory impact and business compliance cost statement

Background

Licensing trusts are constituted under the Sale of Liquor Act 1989 (the Act) and run by locally elected members. The Act restricts their activities to operating businesses engaged in or related to the sale and supply of liquor. Trusts may, but are not required to, distribute their profits back into their communities for charitable, cultural, or recreational purposes.

Statement of the nature and magnitude of the problem and the need for government action

Although several licensing trusts do show excellent financial results and are operating successfully with high levels of community support, the Act prohibits licensing trusts from shifting their business interests out of the hospitality industry. These restrictions prevent trusts from diversifying, or structuring their business operations to meet the challenges of a highly competitive industry. Evidence from audits, carried out by the Auditor-General, indicates that such restrictions are impairing the financial performance of a number of trusts, and may be placing the future operation of some trusts at risk. In a recent Auditor-General report, 7 of the existing 23 licensing trusts were identified as having liability to asset ratios indicating "ongoing solvency issues", and only 5 were identified as having ratios indicating "a sound financial position". One trust ceased operating in 1998 as a result of financial difficulties and another ceased operating in 1999. There is also evidence that the business

arrangements some trusts have adopted to mitigate the financial risks of being confined to the hospitality industry are testing the boundaries of these restrictions. Local licensing trusts are also prevented by restrictions from carrying on any business outside their district until electors have agreed to an expansion proposal.

Existing reporting requirements may not be sufficient to ensure that board members are accountable to their electors, or that trusts are responsive to their communities. Electors may not have adequate opportunities to monitor trust businesses or hold board members to account for the performance of the trust.

An additional problem is that the Act was amended in 1999 to allow the sale of alcohol from any off-licensed premises on any Sunday except Easter Sunday. The amendment has effectively prohibited cellar door sales by wineries on Easter Sunday, limiting trade at a time when wine tours are popular. Wineries were able to sell their own wine on Easter Sunday before the Act was amended, and it is not clear whether this implication was fully appreciated when the amendment was enacted.

Statement of the public policy objectives

The overall objectives are to improve the financial performance and accountability of licensing trusts and to allow wineries to sell their own wine on Easter Sunday.

Statement of feasible options (regulatory and/or non-regulatory) that may constitute viable means for achieving the desired objectives

Non-regulatory options

No feasible non-regulatory options were identified for achieving the objectives because licensing trusts are established and regulated by legislation, and wineries are prohibited by legislation from making off-licence sales on Easter Sunday.

Regulatory options

Status quo

The current objective of licensing trusts is to operate businesses engaged in or related to the sale and supply of liquor. Local licensing trusts are limited by statutory restrictions to trade within their own districts until electors have agreed to an expansion proposal that

allows them to expand their activities beyond their district. Licensing trusts are required to prepare yearly statements of accounts, which are open for public inspection, after being audited by the Auditor-General. Trusts are also required to publicly notify their meetings, and, subject to some exceptions, hold their meetings in public and make information available in accordance with the Local Government Official Information and Meetings Act 1987. They are not required to hold annual meetings of electors, or to disclose the remuneration paid to board members and senior staff. The Act prohibits off-licence sales on Easter Sunday.

Maintaining the status quo will not meet the overall objective of improving the financial performance and accountability of licensing trusts and allowing wineries to make cellar door sales on Easter Sunday.

LRAC option

In 1997, the Liquor Review Advisory Committee (**LRAC**) made recommendations with respect to the operation and structure of licensing trusts. It proposed—

- repealing restrictions in the Act preventing trusts from carrying on business outside the hospitality industry and outside their district;
- requiring licensing trusts to reconstitute as community trusts;
- requiring trusts to disclose the remuneration of board members and senior staff;
- requiring trusts to hold annual public meetings to account to their electors.

Mandatory reconstitution as a community trust was ruled out, due to the complexity of the model proposed, and the imposition of unwarranted levels of costs on trusts, particularly as some are performing well with their existing structure. Government considered that the policy objective of improved financial performance would be better met by electors having the option of determining whether or not their trust should reconstitute as a community trust.

Preferred option: amend the Act to enable reconstitution as a community trust with beneficial purposes, repeal trading restrictions, and introduce further accountability measures

Under this option:

- reconstitution may be initiated by—
 - resolution of a trust's board followed by public notice with the opportunity for electors to call for a poll on the issue; or
 - a request by 15% of a trust's electors for a binding poll on the issue:
- only 1 reconstitution poll can be held in any year:
- the objective of a community trust is to apply its assets (subject to prudent retentions) to purposes beneficial to the community:
- a community trust would be placed under a duty to apply any net profit (subject to prudent retentions) to purposes beneficial to the community:
- a community trust will be subject to tax on the same basis as a licensing trust and will be deemed to be the same legal entity as the licensing trust:
- where a licensing trust reconstitutes, the old trust will be dissolved and all property, assets, liabilities and rights will be transferred to the new trust by legislation:
- local licensing trusts may expand their business activities outside their areas without first conducting expansion polls:
- licensing trusts must disclose, in their annual accounts, the remuneration paid to trustees and senior managers in their annual accounts, and hold annual meetings to account to electors:
- wineries (which hold appropriate off-licences) may make cellar door sales on Easter Sunday.

Statement of the net benefit of the proposals, including the total regulatory costs (administrative, compliance, and economic costs) and benefits (including non-quantifiable benefits) of the proposals, and other feasible options

Society

Local communities will have greater influence over the direction and priorities of their trusts. The duty imposed on trusts to apply their net

profits to community purposes will increase the funding and financial support available for charitable, cultural, and recreational activities within the community. Increased financial support for charitable, cultural, and recreational pursuits may, over time, increase the range and reach of these socially enriching activities. Wineries will benefit mainly from increased goodwill resulting from visitors being able to purchase the wines they have tasted on wine tours and from profits from these additional sales. Consumers will have an increased degree of choice when undertaking wine tours during Easter.

Licensing Trusts

The proposals do not make it mandatory for licensing trusts to reconstitute as community trusts, although it is anticipated that a number will consider doing so. Costs will vary between districts, and are dependent on the process followed by the trust, particularly whether a poll is required. The cost of an electors' poll will vary according to the population in, and the geographical area covered by, the district in which a licensing trust operates. Rough indicative costs of a poll for a population of between 7,000 and 19,000 are estimated to be \$10,000 to \$30,000. To contain the costs of reconstitution, a poll can be called only where there is support from at least 15% of electors, and only 1 poll can be held in any year. This will help to make reconstitution a viable option for smaller trusts. Trusts will incur modest costs publicising and holding annual meetings. The costs of publicly notifying such meetings will be approximately \$100 to \$250 per annum for each trust.

Trusts that take advantage of the new business and investment opportunities will be able to mitigate their financial risks by diversifying their businesses and investments. Those trusts that diversify successfully will be able to improve their financial performance.

Government

There are no costs to government associated with these proposals. Amending laws to remove unnecessary restrictions helps maintain public confidence in government and the law.

Statement of consultative programme undertaken

The proposals were subject to public consultation by LRAC in 1996. During consultation, licensing trusts expressed support for the community trust proposal but all did not agree that reconstitution should be mandatory. A number of trusts supported the option that electors should vote on the issue. As a result, the proposal was modified to make reconstitution as a community trust optional.

The proposals were included in the original Sale of Liquor Amendment Bill (No.3) in 1999. Consultees on that Bill included representatives of licensing trusts and the liquor and hospitality industries. Many of the proposals were the subject of submissions during the Select Committee phase of that Amendment Bill. The (then) Ministry of Commerce, the Treasury, and Inland Revenue Department were consulted in the preparation of the original proposals in 1998.

Further limited consultation was undertaken in 2003 with the New Zealand Licensing Trust Association, Hotel Association New Zealand, Clubs New Zealand Incorporated, and the New Zealand Grape Growers Council in the course of finalising the proposals. No significant concerns were raised.

Business compliance cost statement

For trusts that choose to reconstitute as community trusts (or that are required to by their electors), the following one-off compliance costs will be incurred:

Legal

A one-off cost of preparation and execution of a new trust deed, estimated to be between approximately \$2,000 to \$5,000.

Knowledge

Board members and senior managers will be required to acquire sufficient knowledge of the new accountability requirements to ensure that trusts meet their obligations. They will also be required to understand the new requirements for reconstitution, so they can assess the pros and cons of reconstitution for their trust. These one-off costs are not significant, but do represent a short-term increase in the workload of board members and senior staff.

To keep compliance costs for businesses to a minimum—

- the old trusts will be dissolved by legislation and all property, assets, liabilities, and rights will be transferred to the new trusts by legislation. This will keep legal and transaction costs to a minimum:
 - there will be no change in the tax status of trusts that reconstitute.
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Hon Rick Barker

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Government Bill

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		28	Schedule 1 of Sale of Liquor Amendment Act 1999 amended

The Parliament of New Zealand enacts as follows:

1 Title

- (1) This Act is the Sale of Liquor Amendment Act (**No 2**) 2003.
- (2) In this Act, the Sale of Liquor Act 1989¹ is called "the principal Act".

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¹ 1989, No 63

2 Commencement

- (1) **Sections 20 and 21** come into force on the date on which Part 2 of the Sale of Liquor Amendment Act 1999 comes into force.
- (2) **Section 28** is deemed to have come into force on 31 August 1999.
- (3) The rest of this Act comes into force on 1 April 2004.

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Part 1 Amendments to principal Act relating to licensing trusts

- 3 Purpose of this Part** 5
- The purpose of this Part is—
- (a) to increase the financial disclosure made by licensing trusts in relation to the fees and remuneration of presidents, members, and certain employees:
 - (b) to require licensing trusts to hold annual meetings of electors: 10
 - (c) to remove the restriction on local licensing trusts competing outside their districts:
 - (d) to permit licensing trusts to reconstitute as community trusts.
- 4 Interpretation** 15
- Section 2 of the principal Act is amended by inserting, in their appropriate alphabetical order, the following definitions:
- “**community trust** means—
- “(a) a community trust established under **section 219G**; or
 - “(b) a community trust that is the amalgamation of 2 or more community trusts under **section 219Z** 20
- “**public notice**,—
- “(a) for the purposes of this Act, other than **Part 9A**, means a notice published twice in a newspaper or newspapers—
 - “(i) nominated for the purpose of any application or other matter under this Act (whether generally or in any particular case) by the Secretary of the District Licensing Agency; and 25
 - “(ii) circulating in the locality to which the act, matter, or thing required to be publicly notified relates or refers, or in which it arises; and 30
 - “(iii) with an interval of not less than 5 nor more than 10 days between each notification:
 - “(b) for the purposes of **Part 9A**, means a notice published twice in a newspaper or newspapers— 35
 - “(i) circulating in the district of the licensing trust concerned or the region of the community trust concerned (as the case may be); and

“(ii) with an interval of not less than 5 nor more than 10 days between each notification”.

5 Yearly balance sheet and statements

Section 207 of the principal Act is amended by repealing subsection (1), and substituting the following subsections: 5

- “(1) On or before 30 June in each year, a licensing trust must prepare—
- “(a) a yearly balance sheet and a profit and loss account; and
 - “(b) such other statements of account as may be necessary to show fully the financial position of the licensing trust and the financial results of its operations; and 10
 - “(c) a statement showing—
 - “(i) the sum paid to the president of the licensing trust by way of remuneration; and
 - “(ii) the total fees and expenses paid to the members of the licensing trust; and 15
 - “(iii) the number of employees and former employees of the licensing trust who received remuneration and any other benefits in their capacity as employees of the licensing trust, the value of which was or exceeded \$100,000 per annum, and showing the number of employees in brackets of \$10,000. 20
- “(1A) The balance sheet, profit and loss account, and statements must relate to the financial year ended on 31 March preceding the date by which they must be prepared.” 25

6 Annual meeting of electors

The principal Act is amended by inserting, after section 207, the following section:

- “207A **Annual meeting of electors** 30
- “(1) A licensing trust must call a meeting of electors to be held in each calendar year, beginning in the year 2004.
- “(2) A meeting of electors must be held after, but not later than 2 months after, the yearly balance sheet, profit and loss account, and statements have been audited under section 207. 35
- “(3) Not less than 10 working days’ public notice of a meeting of electors must be given to electors.

- “(4) At a meeting of electors the president and members of the licensing trust must—
- “(a) report to the electors on the licensing trust’s operations in the most recent completed financial year; and
- “(b) provide a reasonable opportunity for electors at the meeting to ask questions about, and to discuss or comment on, those operations.” 5
- 7 Sections 217 to 219 of principal Act repealed**
- (1) Sections 217 to 219 of the principal Act are repealed.
- (2) The First Schedule of the Company Law Reform (Transitional Provisions) Act 1994 is consequentially amended by repealing so much of that schedule as relates to section 219 of the principal Act. 10
- 8 New Part 9A inserted**
- (1) The principal Act is amended by inserting, after Part IX, the following Part: 15
- “Part 9A**
“Community trusts
- “Reconstitution of licensing trust as community trust*
- “219A Licensing trust members may resolve to reconstitute trust as community trust** 20
- The members of a licensing trust may pass a resolution that the trust be reconstituted as a community trust.
- “219B Public notice of resolution**
- “(1) Within 10 working days after passing a resolution under **section 219A**, the licensing trust must give public notice of the resolution. 25
- “(2) The public notice must also refer to the right of electors of the licensing trust to require a meeting to be called under **section 219C**, and to require a poll to be held under **section 219E**. 30
- “219C Electors may requisition meeting**
- “(1) Electors of the licensing trust may, by notice in writing, request the licensing trust to hold a public meeting to discuss the resolution.

“(2) If 50 or more electors request a meeting, the licensing trust must hold a public meeting within 20 working days after the day it received the required number of requests.

“219D Meeting to discuss resolution

“(1) A licensing trust must give not less than 5 working days’ public notice of a meeting of electors of the licensing trust to discuss a resolution passed under **section 219A**. 5

“(2) A meeting of electors of the licensing trust may resolve by a majority of votes to confirm or revoke a resolution.

“(3) If a resolution is confirmed, then the licensing trust must be reconstituted as a community trust. 10

“(4) **Subsection (3)** applies subject to **section 219E**.

“(5) If a resolution is revoked, then the licensing trust must not pass another resolution under **section 219A** earlier than 1 year after the date on which the resolution is revoked. 15

“219E Poll on resolution

“(1) Electors of the licensing trust may, by notice in writing, request the licensing trust to hold a poll on a resolution passed under **section 219A**.

“(2) If, within 40 working days after public notice of the resolution is given, 15% or more of the electors of the licensing trust request a poll, the licensing trust must hold a poll on the resolution in accordance with regulations made under this Act. 20

“(3) A poll does not have to be held if a resolution has been revoked under **section 219D(2)**. 25

“(4) A poll must be held even though a resolution has been confirmed under **section 219D(2)**.

“(5) If on a poll a majority of electors who vote are in favour, then the licensing trust must be reconstituted as a community trust. 30

“(6) If on a poll a majority of electors who vote are not in favour, then the licensing trust must not pass another resolution under **section 219A** earlier than 1 year after the date on which the poll was held.

“219F Electors may requisition poll

- “(1) Electors of a licensing trust may, by notice in writing, request the licensing trust to hold a poll on whether the licensing trust should be reconstituted as a community trust.
- “(2) If 15% or more of the electors request a poll, the licensing trust must hold a poll on the issue in accordance with regulations made under this Act. 5
- “(3) If on a poll a majority of electors who vote are in favour, then the licensing trust must be reconstituted as a community trust.
- “(4) If on a poll a majority of electors who vote are not in favour, then the licensing trust must not hold another poll under this section earlier than 1 year after the date on which the poll was held. 10

“219G Establishment of community trust

- “(1) A licensing trust that is required by **section 219D(3), section 219E(5), or section 219F(3)** to be reconstituted as a community trust must, as soon as practicable, establish a community trust. 15
- “(2) A community trust is established when the licensing trust executes a trust deed providing for the matters specified in **section 219N**. 20
- “(3) The trust deed must, as soon as practicable after its execution, be notified in the *Gazette*.

“219H Vesting of licensing trust’s undertaking in community trust

- “(1) The Governor-General may, by Order in Council made on the advice of the Minister given at the request of the licensing trust concerned, specify a date on which the licensing trust’s undertaking is vested in the community trust established by the licensing trust. 25
- “(2) The date specified in an Order in Council made under this section must be not less than 20 working days after the date on which the order is made. 30
- “(3) On the date specified in an Order in Council made under this section,—
- “(a) the licensing trust is dissolved: 35
- “(b) all real and personal property, including all licences under this Act, belonging to the licensing trust, vests in the community trust:

- “(c) all money payable to or by the licensing trust is payable to or by the community trust:
- “(d) all liabilities, contracts (including employment agreements), and engagements, and all rights and authorities of any nature whatever, of the licensing trust are the liabilities, contracts, engagements, rights, and authorities of the community trust: 5
- “(e) all proceedings by or against the licensing trust may be carried on or prosecuted by or against the community trust. 10
- “(4) Nothing authorised or effected under this section—
- “(a) places the licensing trust or the community trust in breach of contract or confidence or makes them guilty of a civil wrong:
- “(b) entitles any person to terminate or cancel any contract or arrangement or accelerate the performance of any obligation: 15
- “(c) places the licensing trust or the community trust in breach of any enactment or rule of law prohibiting, restricting, or regulating the assignment or transfer of any property or the disclosure of any information: 20
- “(d) entitles any employee to receive any payment or other benefit by reason that he or she ceased, as a result of this Act, to be an employee of the licensing trust.
- “*Status, name, region, and purpose of community trust* 25
- “219I **Community trust to be body corporate with full powers**
- “(1) A community trust is a body corporate with perpetual succession and a common seal.
- “(2) For the purpose of its object and activities, a community trust has full rights, powers, and privileges. 30
- “(3) The common seal of a community trust must be judicially noticed in all courts and for all purposes.
- “(4) This section applies subject to the provisions of this Part.
- “219J **Name of community trust**
- “(1) A community trust must have a name. 35
- “(2) A community trust may, from time to time, change its name, subject to **subsection (3)** and its trust deed.

“(3) The name of a community trust must include the words ‘Community Trust’.

“219K Region of community trust

The region of a community trust is the same as the district of the licensing trust immediately before it was reconstituted as a community trust. 5

“219L Object of community trust

“(1) All property vested in, or belonging to, a community trust is held on trust to be applied to charitable, cultural, philanthropic, recreational, and other purposes beneficial exclusively or principally to the community in the region of the community trust. 10

“(2) A community trust is authorised, but not required, to hold 1 or more licences under this Act and to carry on the business of selling or supplying liquor. 15

“219M Duty to apply net profits

“(1) A community trust must apply any net profits arising from its activities to the purpose of the community trust as described in **section 219L**.

“(2) However, a community trust may, instead of applying all of its net profits as required by **subsection (1)**, retain so much of its net profits as appears prudent for the purposes of its activities (including any proposed activities). 20

“Trust deed

“219N Matters to be included in trust deed 25

“(1) A trust deed of a community trust must contain provisions—

“(a) specifying the name of the community trust:

“(b) specifying the purpose of the community trust as set out in **section 219L**:

“(c) specifying the general activities to be undertaken by the community trust: 30

“(d) specifying the minimum and maximum number of trustees:

“(e) for the holding of, and voting at, meetings of trustees and specifying the quorum necessary for the holding of meetings of trustees: 35

- “(f) for the remuneration of trustees:
- “(g) specifying the manner in which a trustee may resign his or her office as trustee:
- “(h) specifying the manner in which a vacancy in the office of trustee must be filled: 5
- “(i) for the appointment of officers, employees, managers, and agents:
- “(j) specifying the powers of investment of the trustees:
- “(k) specifying the powers of the trustees to expend capital and income of the trust: 10
- “(l) for the keeping of accounts:
- “(m) specifying the manner in which the trust deed may be varied:
- “(n) specifying any other matters that the licensing trust or community trust concerned considers appropriate. 15
- “(2) **Subsection (1)(m)** applies subject to **section 2190**.

“219O Variation of trust deed

- “(1) The trustees of a community trust may vary the trust deed of a community trust by executing a deed of variation of the trust deed. 20
- “(2) A variation of the trust deed must, as soon as practicable after the variation is made, be notified in the *Gazette*.

“219P Trust deed not to be inconsistent with this Act

- “(1) A trust deed of a community trust must not contain provisions inconsistent with this Act. 25
- “(2) A provision in a trust deed of a community trust that is inconsistent with this Act is unenforceable and of no effect.
- “(3) In this section, **trust deed** includes a variation of the trust deed.

“Trustees 30

“219Q Trustees

The first trustees of a community trust are the members of the licensing trust immediately before it is reconstituted as the community trust.

“219R Election of subsequent trustees

- “(1) Trustees of a community trust (after the first trustees) are to be elected.
- “(2) An election of trustees must be held on the day on which the triennial general election of members of local authorities is held under the Local Electoral Act 2001. 5

“219S Qualification of electors

A person who is qualified as a residential elector of a territorial authority in respect of an address in a community trust’s region is qualified as an elector of the community trust. 10

“219T Conduct of elections

- “(1) An election of trustees of a community trust is governed by this Act and the Local Electoral Act 2001.
- “(2) If a community trust’s region is situated wholly within the district of a local authority, the roll of residential electors for the local authority’s district is the roll of electors for the election of trustees of the community trust. 15
- “(3) If a community trust’s region is situated within the districts of 2 or more local authorities, the rolls of residential electors for the districts of the local authorities are the rolls of electors for the election of trustees of the community trust. 20
- “(4) It is the duty of the electoral officer of the local authority of the district within which a community trust’s region is situated, or the electoral officer of the local authority of every district situated wholly or partly within the community trust’s region, to indicate on the roll of residential electors for the district of that local authority, by appropriate words, abbreviations, or marks, the names of the persons entitled to vote at elections of trustees of community trusts. 25

“219U In default of election Governor-General may appoint trustees 30

If on the day appointed for the election of trustees of a community trust, no persons are duly elected, or the number of persons elected is less than the required number, the Governor-General may appoint as many qualified persons to be trustees as are required, and every person so appointed 35

holds office in all respects as if that person had been duly elected in accordance with this Part.

“219V Term of office of trustees

- “(1) The trustees of a community trust hold office until their successors are appointed or elected. 5
- “(2) A trustee is eligible for re-election.
- “(3) A trustee may resign office in the manner prescribed in the trust deed.
- “(4) A trustee is to be treated as having resigned office as a trustee if at any time the trustee is, under **section 219W**, not capable of holding office as trustee of a community trust. 10
- “(5) A trustee may be removed from office at any time by the Minister, by notice in writing,—
- “(a) because the trustee is unable to perform his or her duties adequately; or 15
- “(b) for neglect of duty, or misconduct, proved to the satisfaction of the Minister; or
- “(c) in any case where the Minister is satisfied on reasonable grounds that the trustee has acted or is acting in a manner prejudicial, or likely to be prejudicial, to the interests of the community trust. 20
- “(6) If a trustee dies or resigns or ceases to hold office, the office of that trustee becomes vacant and the vacancy must be filled in the manner prescribed by the trust deed, and a person filling the vacancy holds office for the residue of the term of office of that trustee. 25

“219W Persons not capable of holding office as trustee

The following persons are not capable of being elected or of holding office as a trustee of a community trust:

- “(a) a bankrupt— 30
- “(i) who has not obtained a final order of discharge; or
- “(ii) whose order of discharge has been suspended for a term not yet expired or is subject to a condition not yet fulfilled: 35
- “(b) a person who has been convicted within the last 3 years of a criminal offence punishable by imprisonment:

- “(c) a person who would be subject to an order under section 189 of the Companies Act 1955 (as in force immediately before the commencement of the Companies Amendment Act 1993) but for the repeal of that section:
- “(d) a person to whom an order made under section 199L of the Companies Act 1955 applies (or would apply but for the repeal of that Act) or to whom an order made under section 383 of the Companies Act 1993 applies: 5
- “(e) a patient within the meaning of paragraph (b) or paragraph (c) of the definition of “patient” in the Mental Health (Compulsory Assessment and Treatment) Act 1992: 10
- “(f) any person who is the subject of an order under the Protection of Personal and Property Rights Act 1988.

“*Accountability* 15

“219X **Financial statements**

- “(1) The financial year of a community trust commences on 1 April in each year and ends on 31 March in the following year.
- “(2) The trustees of a community trust must ensure that full and correct accounts of all the financial transactions of the community trust and its assets, liabilities, and funds are kept. 20
- “(3) The trustees of a community trust must, within 3 months after the end of each financial year, prepare financial statements including a statement of financial position and income and expenditure account and notes to them, giving a true and fair view of the financial affairs of that community trust for the financial year. 25
- “(4) The financial statements must show separately—
- “(a) the total remuneration paid to the trustees of the community trust: 30
- “(b) the number of employees and former employees of the community trust who received remuneration and any other benefits in their capacity as employees of the community trust, the value of which was or exceeded \$100,000 per annum, and showing the number of employees in brackets of \$10,000: 35
- “(c) the names of persons or organisations to whom distributions have been made by the community trust under **sections 219L and 219M** in that financial year:
- “(d) the amounts distributed. 40

- “(5) The financial statements must be audited by the Auditor-General.
- “(6) The financial statements, when duly audited, must be open for public inspection.
- “(7) A summary of the audited financial statements must, as soon as practicable after the completion of their audit, be publicly notified in the region of the community trust. 5
- “(8) A community trust is not required to comply with this section in the year in which it is reconstituted as a community trust if, in that year before being reconstituted as a community trust, the licensing trust concerned complied with section 207. 10
- “219Y Annual meeting of electors**
- “(1) A community trust must call a meeting of electors of the community trust to be held in each calendar year.
- “(2) A meeting of electors must be held after, but not later than 2 months after, the yearly balance sheet, profit and loss account, and statements have been audited under **section 219X**. 15
- “(3) Not less than 10 working days’ public notice of a meeting of electors must be given to electors.
- “(4) At a meeting of electors the trustees of the community trust must— 20
- “(a) report to the electors on the community trust’s operations in the most recent completed financial year; and
- “(b) provide a reasonable opportunity for electors at the meeting to ask questions about, and to discuss or comment on, those operations. 25
- “(5) A community trust is not required to comply with this section in the year in which it is reconstituted as a community trust if, in that year before being reconstituted as a community trust, the licensing trust concerned complied with **section 207A**. 30

“Amalgamation and liquidation

- “219Z Amalgamation of community trusts**
- “(1) Two or more community trusts may be amalgamated into 1 new community trust in accordance with this section.
- “(2) Each trust must give public notice of the amalgamation proposal. 35

- “(3) The amalgamation proposal must include—
- “(a) the names of the persons who are to be the first trustees of the new community trust; and
 - “(b) the trust deed of the new community trust.
- “(4) If, within 20 working days after the first publication of the public notice, at least 50 electors of a community trust concerned give written notice to the trust that they require a public meeting to be called to discuss the proposal, the community trust must arrange and hold such a meeting accordingly. 5 10
- “(5) If, within 40 working days after the first publication of the public notice, at least 15% of the electors of a community trust concerned give written notice to the trust that they require a poll of electors to be held on the amalgamation proposal, the community trust must arrange for such a poll to be held in accordance with regulations made under this Act. 15
- “(6) On a poll, the amalgamation proposal is carried if a majority of the valid votes recorded are in favour of the proposal.
- “(7) If no poll is required or a poll is required and the amalgamation proposal is carried, and the community trusts decide to proceed with the proposal, they must submit it, together with a copy of the latest audited accounts of each trust, to the Minister. 20
- “(8) The Governor-General may, by Order in Council made on the advice of the Minister given at the request of each of the community trusts concerned, amalgamate 2 or more community trusts into 1 community trust, and define the region of that new trust. 25
- “(9) As from a date to be specified in the order, being not less than 20 working days after the date of the making of the order, the following provisions apply: 30
- “(a) the original community trusts are dissolved;
 - “(b) all real and personal property, including all licences under this Act, belonging to each of the original community trusts vests in the new community trust: 35
 - “(c) all money payable to or by the original community trusts is payable to or by the new community trust:
 - “(d) all liabilities, contracts (including employment agreements), and engagements, and all rights and authorities of any nature whatever, of the original community 40

- trusts become the liabilities, contracts, engagements, rights, and authorities of the new community trust:
- “(e) all proceedings by or against the original community trusts may be carried on or prosecuted by or against the new community trust: 5
- “(f) the trustees of the new community trust are the persons named as the first trustees of the trust in the amalgamation proposal:
- “(g) the trust deed of the new community trust is the trust deed included in the amalgamation proposal. 10
- “(10) Nothing authorised or effected under this section—
- “(a) places the original community trusts in breach of contract or confidence or makes them guilty of a civil wrong:
- “(b) entitles any person to terminate or cancel any contract or arrangement or accelerate the performance of any obligation: 15
- “(c) places the original community trusts in breach of any enactment or rule of law prohibiting, restricting, or regulating the assignment or transfer of any property or the disclosure of any information: 20
- “(d) entitles any employee to receive any payment or other benefit by reason that he or she ceased, as a result of this Act, to be an employee of an original community trust.
- “219ZA **Liquidation** 25
Parts XVI and XVII of the Companies Act 1993 apply, with any necessary modifications, to a community trust as if it were a company incorporated under that Act.
- “219ZB **Distribution of assets where community trust put into liquidation** 30
Where the High Court puts a community trust into liquidation, any net surplus, whether or not in money, must be distributed to each local authority whose district is included wholly or partly within the community trust’s region; and, where 2 or more local authorities qualify, the Court must determine the shares in proportion to the number of residents of each local authority’s district who are electors of the community trust. 35

*“Miscellaneous matters***“219ZC Taxes and duties**

- “(1) A community trust is liable to income tax, and to rates, and to all other taxes and duties, as if it were a body corporate formed for private pecuniary gain. 5
- “(2) For the purposes of the Inland Revenue Acts (as defined in section 3 of the Tax Administration Act 1994),—
- “(a) a community trust and the licensing trust that was constituted as the community trust are, in relation to all assets and liabilities that, by this Act, become the assets and liabilities of the community trust, deemed to be the same person: 10
- “(b) all transactions entered into by, and all acts of, a licensing trust before it was reconstituted as a community trust, in relation to all assets and liabilities that, by this Act, become assets and liabilities of the community trust, are deemed to have been entered into or performed by the community trust on the date on which they were entered into or performed by the licensing trust. 15 20

“219ZD Application of Trustee Act 1956

The Trustee Act 1956 applies to a community trust.

“219ZE Application of Local Authorities (Members’ Interests) Act 1968

For the purposes of the Local Authorities (Members’ Interests) Act 1968 a community trust is to be treated as if it were a local authority, and that Act applies accordingly. 25

“219ZF Application of Local Government Official Information and Meetings Act 1987

For the purposes of Parts I to IV of the Local Government Official Information and Meetings Act 1987 a community trust is to be treated as if it were a local authority, and that Act applies accordingly.” 30

- (2) Schedule 1 of the Public Audit Act 2001 is amended by inserting, in its appropriate alphabetical order, the following item:
- “Community trusts established or amalgamated under **Part 9A** of the Sale of Liquor Act 1989.” 5

Part 2

Other amendments to principal Act and Sale of Liquor Amendment Act 1999

- 9 Purpose of this Part** 10
- The purpose of this Part is—
- (a) to amend the principal Act to permit sales of grape wine and fruit wine at wineries on Easter Sunday; and
- (b) to amend the principal Act to provide an exception for persons who are under 18 years old purchasing liquor on licensed premises or being on licensed premises if they do so at the request of a member of the police acting in the course of his or her duties; and 15
- (c) to make amendments to the principal Act and the Sale of Liquor Amendment Act 1999 to make minor corrections and clarifications, and make better provision for transitional matters. 20

Amendments to principal Act

- 10 Unopposed applications may be granted by District Licensing Agency, opposed applications to be forwarded to Licensing Authority** 25
- Section 12(3) of the principal Act is amended by adding to paragraph (d) the expression “; and”, and adding the following paragraph:
- “(e) the certificate referred to in section 9(1)(e).”
- 11 Unopposed applications to be granted, opposed applications to be forwarded to Licensing Authority** 30
- (1) Section 21(1) of the principal Act is amended by omitting the words “on the conditions presently attaching to it for a further period of 3 years.”, and substituting the words “for a further period of 3 years on—”. 35
- (2) Section 21(1) of the principal Act is amended by adding the following paragraphs:

- “(c) the conditions presently attaching to it; or
“(d) such different conditions, relating to any matters specified in section 14(5), as the District Licensing Agency thinks fit.”

- 12 Unopposed applications may be granted by District Licensing Agency, opposed applications to be forwarded to Licensing Authority** 5
Section 34(3) of the principal Act is amended by adding to paragraph (d) the expression “; and”, and adding the following paragraph: 10
“(e) the certificate referred to in section 31(1)(e).”
- 13 Types of premises in respect of which off-licences may be granted**
(1) Section 36(1)(d)(ii) of the principal Act is amended by inserting, after the words “Licensing Authority”, the words “or District Licensing Agency, as the case may be,”. 15
(2) Section 36 of the principal Act is amended by adding the following subsection:
“(5) This section applies subject to sections 51 and 52.”
- 14 Conditions of off-licences** 20
Section 37 of the principal Act is amended by inserting, after subsection (1), the following subsection:
“(1A) However, it is a condition of an off-licence that a person may sell or deliver grape wine or fruit wine on Easter Sunday if the grape wine or fruit wine is made— 25
“(a) on the premises; or
“(b) from grapes or fruit harvested from land on which the premises are situated.”
- 15 Unopposed applications to be granted, opposed applications to be forwarded to Licensing Authority** 30
(1) Section 44(1) of the principal Act is amended by omitting the words “on the conditions presently attaching to it for a further period of 3 years.”, and substituting the words “for a further period of 3 years on—”.
(2) Section 44(1) of the principal Act is amended by adding the following paragraphs: 35

- “(c) the conditions presently attaching to it; or
“(d) such different conditions, relating to any matters specified in section 37(4) and (6) as the District Licensing Agency thinks fit.”

- 16 Special provisions relating to caterers** 5
- (1) Section 51 of the principal Act is amended by repealing subsection (1), and substituting the following subsections:
- “(1) An off-licence may be granted to a person who is conducting the business of a caterer.
- “(1A) The Licensing Authority or District Licensing Agency must, when granting an off-licence under **subsection (1)**, endorse the licence to indicate that this section applies to the licence.” 10
- (2) Section 38(1) of the Sale of Liquor Amendment Act 1999 is consequentially repealed.
- 17 Renumbering of subsection** 15
- Section 52 of the principal Act is amended by renumbering subsection (2) (as inserted by section 39 of the Sale of Liquor Amendment Act 1999) as subsection (1A).
- 18 Unopposed applications may be granted by District Licensing Agency, opposed applications to be forwarded to Licensing Authority** 20
- Section 58(3)(e) of the principal Act is amended by omitting the words “of approval”.
- 19 Unopposed applications to be granted, opposed applications to be forwarded to Licensing Authority** 25
- (1) Section 67(1) of the principal Act is amended by omitting the words “on the conditions presently attaching to it for a further period of 3 years.”, and substituting the words “for a further period of 3 years on—”.
- (2) Section 67(1) of the principal Act is amended by adding the following paragraphs: 30
- “(c) the conditions presently attaching to it; or
“(d) such different conditions, relating to any matters specified in section 60(2), as the District Licensing Agency thinks fit.” 35

- 20 Kinds of managers' certificates**
Section 117(3) of the principal Act is amended by inserting, after the words "club licence", the words "or a special licence".
- 21 New section 117A substituted** 5
The principal Act is amended by repealing section 117A, and substituting the following section:
- "117A General manager must hold prescribed qualification**
- "(1) The Licensing Authority or District Licensing Agency must not issue or renew a general manager's certificate on or after the commencement of this section unless the manager holds a prescribed qualification. 10
- "(2) In this section, **prescribed qualification** means—
- "(a) a qualification prescribed by regulations made under this Act; or 15
- "(b) the successful completion of a course of training, the requirements or criteria of which have been prescribed by regulations made under this Act."
- 22 Unopposed applications to be granted, opposed applications to be forwarded to Licensing Authority** 20
Section 125 of the principal Act is amended by inserting, after subsection (1), the following subsections:
- "(1A) However, if the District Licensing Agency renews a general manager's certificate during the period specified in **subsection (1B)** and the certificate is for a manager who does not hold a prescribed qualification referred to in **section 117A** (as substituted by the **Sale of Liquor Amendment Act (No 2) 2003**), the District Licensing Agency must renew the certificate for a further period of 2 years. 25
- "(1B) The period— 30
- "(a) begins 1 month after an Order in Council is made appointing a commencement date for Part 2 of the Sale of Liquor Amendment Act 1999; and
- "(b) ends on the close of the day before that commencement date." 35

- 23 Decision on application for renewal**
 Section 127 of the principal Act is amended by adding the following subsections:
- “(3) However, if the Licensing Authority renews a general manager’s certificate during the period specified in **subsection (4)** and the certificate is for a manager who does not hold a prescribed qualification referred to in **section 117A** (as substituted by the **Sale of Liquor Amendment Act (No 2) 2003**), the Licensing Authority must specify an expiry date that is no later than 2 years after the date on which the renewal takes effect. 5 10
- “(4) The period—
 “(a) begins 1 month after an Order in Council is made appointing a commencement date for Part 2 of the Sale of Liquor Amendment Act 1999; and
 “(b) ends on the close of the day before that commencement date.” 15
- 24 Notice of appointment, etc, of manager, temporary manager, or acting manager**
 Section 130(3) of the principal Act is amended by omitting the expression “subsection (1)(b)”, and substituting the expression “subsection (1A)(c)”. 20
- 25 Purchasing of liquor by minors**
 Section 162 of the principal Act is amended by adding the following subsection:
- “(5) Subsection (1) does not apply to a person who purchases liquor on or from licensed premises at the request of a member of the police acting in the course of his or her duties.” 25
- 26 Minors in restricted areas or supervised areas**
 Section 163 of the principal Act is amended by adding the following subsection: 30
- “(4) Subsections (1) and (2) do not apply to a person who is in a restricted area or supervised area on licensed premises at the request of a member of the police acting in the course of his or her duties.”

27 Regulations

- (1) Section 229 of the principal Act is amended by repealing paragraph (aa), and substituting the following paragraphs:
- “(aa) prescribing—
- “(i) the qualification to be held by a person before the person is entitled to hold a general manager’s certificate: 5
- “(ii) 1 or more requirements or criteria for the qualification or for a course of training which, if successfully completed, is to be treated as entitling a person to hold a general manager’s certificate: 10
- “(ab) prescribing the circumstances and conditions under which persons holding a general manager’s certificate at the commencement of **section 117A** (as substituted by the **Sale of Liquor Amendment Act (No 2) 2003**) and applying to renew them on or after that commencement are to be treated as if they held a prescribed qualification for the purposes of that section:” 15
- (2) Section 229 of the principal Act is amended by repealing paragraph (eb), and substituting the following paragraph: 20
- “(eb) for the purposes of describing premises in licences, requiring licences or any class of licence to have endorsed on, or attached to, them a description of the premises or part or parts of the premises they relate to:”.
- (3) Section 123 of the Sale of Liquor Amendment Act 1999 is consequentially repealed. 25

*Amendment to Sale of Liquor Amendment Act 1999***28 Schedule 1 of Sale of Liquor Amendment Act 1999 amended**

- (1) Schedule 1 of the Sale of Liquor Amendment Act 1999 is amended by omitting the item relating to the Building Act 1991, and substituting the following item: 30
- “**The Building Act 1991** (1991 No 150)
- So much of the Fourth Schedule as relates to sections 11, 20, 57, 58, and 66 of the principal Act.” 35
- (2) Schedule 1 of the Sale of Liquor Amendment Act 1999 is amended by inserting, after the item relating to the Sale of Liquor (Off-Licence) Amendment Act 1992, the following item:

**“Company Law Reform (Transitional Provisions) Act
1994 (1994 No 16)**

So much of the First Schedule as relates to sections 8, 30, and
75 of the Sale of Liquor Act 1989.”