

Sale and Supply of Alcohol (Exemption for Race Meetings) Amendment Bill

Member's Bill

As reported from the Governance and Administration Committee

Commentary

Recommendation

The Governance and Administration Committee has examined the Sale and Supply of Alcohol (Exemption for Race Meetings) Amendment Bill. We recommend all amendments unanimously. We have decided not to make a recommendation to the House about whether this bill be passed.

We note that the vote on the first reading of the bill was treated as a conscience issue. We have therefore made recommendations for amendments to improve the bill's workability, but leave broader consideration of the bill's merits to the full membership of the House. We do not consider that it is appropriate for us to make a recommendation to the House about the bill passing, given the bill is a conscience issue. We encourage all members of the House to consider the bill, and our amendments, and form their own conclusions about the bill's passing.

About the bill

This is a Member's bill in the name of Ian McKelvie MP. It would amend the Sale and Supply of Alcohol Act 2012 to make race meetings exempt from the offence in section 235 of using unlicensed premises as a place of resort for the consumption of alcohol. "Place of resort" is not defined in the Act, but the New Zealand Police have issued guidelines on what turns a lawful gathering into a place of resort. These guidelines can be found on the Police website.¹

¹ <https://www.police.govt.nz/advice-services/drugs-and-alcohol/byo-and-place-resort-guidance-new-zealand-polices-approach>

The bill as introduced would exempt a racing club from this offence if alcohol was being consumed on its premises on the day of a race meeting. The exemption would apply if the club held an on-licence or on-site special licence to sell and supply alcohol in an area within its premises for the duration of the race meeting.

Currently, if an unlicensed racing club's premises are found to be used as a place of resort for the consumption of alcohol they could be liable to a fine of up to \$20,000.

Submissions on the bill

During our consideration of the bill, we heard diverse views from a range of submitters, including racing clubs and advocacy groups, about whether alcohol causes harm at racing events.

Legislative scrutiny

As part of our consideration of the bill, we have examined its consistency with principles of legislative quality. We have no issues regarding the legislation's design to bring to the attention of the House.

Exempting only small racing clubs

Clause 4 would insert new section 235A into the Sale and Supply of Alcohol Act. This section would exempt racing clubs from being considered a place of resort.

As introduced, the bill would provide for all racing clubs to be exempt from section 235. Not all racing clubs need or want the exemption. Larger clubs often have the resources and staff to provide hospitality services and do not want to allow attendees to bring their own alcohol to the premises. We recommend amending section 235A to specify that only small clubs would qualify for this exemption.

Our recommended amendment would insert the word "small" into proposed section 235A(1)(a) so that the exemption would only apply to small racing clubs. "Small racing club" is defined in the Racing Industry Act 2020 as a racing club that holds 3 or fewer betting licences in a racing year. We also recommend replacing the term "racing club" with "small racing club" in proposed section 235A(2)(b). That paragraph carries the meaning of "small racing club" as defined in the Racing Industry Act 2020 across to proposed section 235A.

Updating references to the Racing Act

The bill refers to the Racing Act 2003 to define terms it uses. Since the bill was drafted, the Racing Act 2003 has been repealed and replaced by the Racing Industry Act 2020. To reflect this, we recommend updating the name of the Act in proposed section 235A(2).

Appendix

Committee process

The Sale and Supply of Alcohol (Exemption for Race Meetings) Amendment Bill was referred to the committee on 8 June 2022.

We called for submissions on the bill with a closing date of 21 July 2022. We received and considered 22 submissions from interested groups and individuals. We heard oral evidence from four submitters at hearings in Wellington.

We received advice on the bill from the Ministry of Justice. The Office of the Clerk provided advice on the bill's legislative quality. The Parliamentary Counsel Office assisted with legal drafting.

Committee membership

Ian McKelvie (Chairperson)

Rachel Boyack

Naisi Chen

Jamie Strange

Hon Michael Woodhouse

**Sale and Supply of Alcohol (Exemption for Race
Meetings) Amendment Bill**

Key to symbols used in reprinted bill

As reported from a select committee

text inserted unanimously

~~text deleted unanimously~~

Ian McKelvie

Sale and Supply of Alcohol (Exemption for Race Meetings) Amendment Bill

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Contents

	Page
1 Title	1
2 Commencement	1
3 Principal Act	1
4 New section 235A inserted (Exemption to section 235 for certain race meetings)	1
235A Exemption to section 235 for certain race meetings	2

The Parliament of New Zealand enacts as follows:

- 1 Title**
This Act is the Sale and Supply of Alcohol (Exemption for Race Meetings) Amendment Act **2021**.
- 2 Commencement** 5
This Act comes into force on the day after the date on which it receives the Royal assent.
- 3 Principal Act**
This Act amends the Sale and Supply of Alcohol Act 2012 (the **principal Act**).
- 4 New section 235A inserted (Exemption to section 235 for certain race meetings)** 10
After section 235, insert:

235A Exemption to section 235 for certain race meetings

- (1) Section 235 does not apply in the following circumstances:
- (a) the person (A) referred to in section 235(1) is a small racing club; and
 - (b) the consumption of alcohol takes place on a day when A is using the unlicensed premises referred to in section 235(1) to hold a race meeting; and
 - (c) A holds either an on-licence or an on-site special licence that applies to an area within the premises for the duration of the race meeting.
- (2) In this section, the following terms have the same meaning as in section 5(1) of the ~~Racing Act 2003~~ Racing Industry Act 2020:
- (a) **race meeting:**
 - ~~(b) **racing club.**~~
 - (b) **small racing club.**

Legislative history

21 October 2021
8 June 2022

Introduction (Bill 89–1)
First reading and referral to Governance and Administration
Committee