



Regulatory Impact Statement: Improving alcohol regulation to support economic growth

Decision sought	<i>Analysis produced for the purpose of informing Cabinet policy decisions on a package of changes to alcohol regulation.</i>
Agency responsible	<i>Ministry of Justice</i>
Proposing Ministers	<i>Hon Nicole McKee, Associate Minister of Justice</i>
Date finalised	<i>7 August 2025</i>

A range of changes to remove disproportionate or ineffective regulatory requirements in the Sale and Supply of Alcohol Act 2012 (the Act), while also better delivering on the object of the Act – to ensure sale and supply of alcohol is undertaken safely and responsibly and harm is minimised.

Summary: Problem definition and options

What is the policy problem?

The Act sets out a comprehensive legislative and regulatory framework for the sale and supply of alcohol in New Zealand. The Ministry of Justice is responsible for stewardship of the system, and has a responsibility to check whether:

- The obligations imposed on regulated parties are proportionate and are achieving the intended outcome, and;
- The system is delivering on the object of the Act, which is to minimise the harm associated with the sale and supply of alcohol.

Government intervention in this area is important because economic growth, ability to consume alcohol, and violent crime are matters of wide public interest. Government also has a strong interest in alcohol regulation due to the costs that ineffective regulation may impose on the health, social and justice sectors (harm and violent crime). The need to minimise harm is directly reflected in the object of the Act, which specifically refers to violent crime and other types of harm.

Due to the comprehensive and detailed nature of the regulatory regime, there is limited scope to address these issues through non-regulatory options.

There are mixed views among stakeholders about the scale of the problem. The industry generally aims for streamlined/less regulation while other groups concerned with the health impacts of alcohol will generally advocate for tighter restrictions/more community involvement in the licensing process.

What is the policy objective?

The objectives of these interventions are to reduce regulatory burden and encourage economic growth while also delivering on the object of the Act (to minimise harm

associated with the sale and supply of alcohol). The success or failure of these interventions can be measured through data already collected by government. Impact on economic growth can be measured in several ways, including the sector's contribution to GDP and employment. Data on the various harms caused by excessive alcohol consumption is collected in several forms. Other data collected by the Ministry of Justice (the Ministry) and sector allows monitoring of the relationship between violent crime and alcohol.

What policy options have been considered, including any alternatives to regulation?

The status quo consists of the regulatory regime established through the Act and its supporting regulations. The regulatory regime is supported by a range of operational initiatives, such as the New Zealand Police Alcohol Action Plan 2025 and the Health Promotion function of Health New Zealand-Te Whatu Ora.

The options in this RIS propose to amend – not repeal or replace – the Act. Most of the proposals in this RIS propose to remove or amend regulatory requirements. In addition to the status quo, this RIS considers two options:

- Option Two: Focus on reducing regulatory burden without any substantial increase in alcohol-related harm or violent crime (delivered through a package of initiatives analysed individually in this RIS)
- Option Three: Focus on initiatives to reduce harm.

This RIS analyses a set of regulatory requirements that could be removed without substantially increasing harm:

- Constraining who can object to applications for alcohol licences.
- Constraining the ability of District Licensing Committees to decline to renew licences in certain circumstances
- Streamlining the process for obtaining special licences.
- Clarifying responsibilities to supply low and/or no-alcohol beverages for consumption on premises.
- Creating a stand-alone exemption to special licences for major televised events.
- Allowing hairdressers and barbers to provide small amounts of alcohol without obtaining an off-licence.
- Providing licence applicants with a right of reply to any objections raised during the licensing process.
- Amending regulation for rapid alcohol deliveries.

What consultation has been undertaken?

The Ministry consulted a range of government departments on policy options including the Ministry of Business, Innovation and Employment, Ministry of Culture and Heritage, Department of Internal Affairs, New Zealand Police (Police), Ministry for Regulation, the Ministry of Health, the Ministry of Foreign Affairs and Trade and New Zealand Customs.

Timing constraints have meant the Ministry has not yet consulted the public, public health advocates, district licensing committees, or industry. Many of these proposals have been consulted on before. Where possible, we have drawn on feedback previously provided, and stakeholders will be able to comment on the proposals as part of the Select Committee process.

Is the preferred option in the Cabinet paper the same as preferred option in the RIS?

No – the Associate Minister of Justice prefers Option 2 – removing unnecessary regulatory barriers and achieving some potential reduction in harm and violent crime. The Ministry of Justice prefers a combination of Options 2 and 3.

Summary: Minister's preferred option in the Cabinet paper

Costs of Minister's preferred option
Outline the key monetised and non-monetised costs, where those costs fall (e.g. what people or organisations, or environments), and the nature of those impacts (e.g. direct or indirect) Additional costs of implementing these proposals to businesses, District Licensing Committees (DLCs), special licence applicants, consumers and communities are expected to be relatively low. There may be some costs to businesses offering rapid delivery to comply with new requirements for age verification, where they do not already have procedures in place. For some of the options aimed at reducing regulatory burden any resulting cost to individuals and communities through an increase in alcohol-related harm is not expected to be significant but cannot be entirely ruled out (for example, initiatives extending winery cellar door requirements to producers of other types of alcohol, and exempting hairdressers and barbers from licensing requirements). As a key enforcement agency, Police anticipates a medium level of cost incurred to ensure compliance with the new regulatory requirements around remote delivery and policing the exemption for hairdressing salons and barbershops. There may be some impact on competition. The proposed exemption for hairdressers and barbershops (from the existing requirement for an on-licence) to serve small quantities of alcohol to their customers does not extend to other business types. However, the different business types are not necessarily in competition with each other.
Benefits of Minister's preferred option
Outline the key monetised and non-monetised benefits, where those benefits fall (e.g. what people or organisations, or environments), and the nature of those impacts (e.g. direct or indirect) The proposal to extend the existing winery cellar door provisions to similar business types, such as meaderies and breweries, will place those businesses on a similar competitive footing, in offering a tasting service to customers. Changes to the special licence application process will provide a clearer process for both DLCs and applicants, with the potential for modest cost savings. Various changes to the licensing process may also benefit businesses by speeding up the process of obtaining/renewing a licence. The proposals to adjust regulation for rapid alcohol deliveries may lead to some reductions in harm and violent crime.
Balance of benefits and costs for Minister's preferred option
Does the RIS indicate that the benefits of the Minister's preferred option are likely to outweigh the costs? Our assessment indicates that overall, the proposals will incur low implementation costs to affected parties that are outweighed by reduced administrative costs and time savings for both businesses and DLCs. The full benefits and costs of some changes will become apparent over time. Costs to Police of ensuring compliance with new remote sales and delivery of alcohol requirements may reduce over time as the change is better established.
Costs of Ministry preferred option
Outline the key monetised and non-monetised costs, where those costs fall (e.g.

what people or organisations, or environments), and the nature of those impacts (e.g. direct or indirect)

The Ministry's preferred option includes all the costs in the Minister's preferred option, with some additional costs for businesses. There is potential for some loss of income to licensed businesses resulting from shorter trading hours. It is estimated that this change will impact under 20% of sales from off-licences, and between 3-9 percent of current sales for on-licences.

There may be some additional minor costs to Police to monitor additional requirements around rapid delivery (reduced delivery hours).

No additional impacts on competition have been identified. All licensed premises will be subject to the same reduced trading hours.

Benefits of Ministry preferred option

Outline the key monetised and non-monetised benefits, where those benefits fall (e.g. what people or organisations, or environments), and the nature of those impacts (e.g. direct or indirect)

All of the benefits in the Minister's preferred option also apply to this option. Proposed reductions in trading hours, together with age and intoxication safety requirements for remote sales and delivery of alcohol, are expected to benefit individuals and communities by reducing crime and other alcohol-related harms. Any subsequent reductions in violent crime may also lead to reduced court costs through less alcohol-related cases being heard.

Modelling done by the Ministry indicates that the harm reduction changes could result in significant reductions in victims of violent crime (1200 fewer victimisations annually for each hour off-licence trading hours are reduced). Evidence from previous moves to reduce trading hours for licensed premises also illustrates that reducing trading hours does result in fewer victims of violent crime.

Businesses may also benefit from reduced trading hours through fewer crimes occurring in and around their premises, and the consequent safety benefits perceived by their customers. There may also be cost savings for Police, through fewer call-outs relating to alcohol intoxication.

Balance of benefits and costs for Ministry preferred option

Does the RIS indicate that the benefits of the Ministry's preferred option are likely to outweigh the costs?

Yes. Implementation costs are relatively low. Costs incurred by businesses because of harm reduction efforts are likely to be exceeded by the savings from reduced violent crime, which will accrue both to individuals and to the Government through reduced costs to the health, social and justice systems.

How will the proposal be implemented, who will implement it, and what are the risks?

The proposals in this paper will have implications for the Alcohol Regulatory Licensing Authority (ARLA), DLCs, local government, regulatory agencies, and the industry more broadly. The Ministry will support stakeholders to prepare for implementing the proposals, including issuing communications.

These changes are intended to be implemented through legislative amendments to the Act. Other changes will be made through secondary legislation including Orders in Council. Territorial authorities may adjust local alcohol policies (LAPs) in response to amendments to the Act. The Government intends for an amendment Bill to be introduced to the House by the end of 2025.

Key risks to implementation are an incomplete understanding of the costs and workability of options, due to limits on consultation, and potential variation of policy at a local level through LAPs. An implementation plan will be required.

Limitations and Constraints on Analysis

Analysis has been subject to the following limitations and constraints:

- *Ministerial direction* – high-level analysis on a broad range of interventions was provided to Ministers in September 2024. At this time, Ministers ruled out some interventions (for example, stricter offences and penalties for non-compliance or reducing the number of licensed premises). No further analysis was done on the options that were ruled out, and they are not included in this RIS. Subsequent Ministerial direction to focus on measures to reduce regulatory burden also limited the scope of harm reduction measures analysed in Option Three. The Ministry for Regulation carried out the work on the exemption for hairdressers and barbers and Ministers subsequently directed it be included in this package.
- *Timing* – the Ministry was directed to complete analysis in time for introduction of an amendment bill to the House by the end of 2025, with substantive advice provided to Ministers in February 2025 (following Ministers’ direction on the initial range of options presented in September 2024). This constrained the time available to fully analyse options. Between February and July 2025, further advice was sought by Ministers and the range of initiatives was amended. Most of this analysis was done within short timeframes.
- *Evidence* – while there is a solid body of evidence for most of the harm reduction proposals in this paper, there are some gaps. For example, the relatively recent emergence of rapid alcohol delivery services means there is little evidence about the risk that they pose. There is also relatively little evidence to measure the potential impact of the proposed regulatory changes.
- *Consultation* – timeframes did not allow for public or targeted consultation outside of government agencies. To mitigate risks relating to a lack of consultation, the Ministry has assessed public and industry comments on the same or related issues during previous reforms. Stakeholders will have the opportunity to comment as part of the Select Committee process.
- *Scope* – Only regulatory interventions are provided as options in this RIS. While Ministers were advised of potential non-regulatory interventions early in the policy development process, they advised the Ministry they did not wish to pursue these.

I have read the Regulatory Impact Statement and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the preferred option.

Responsible Manager(s) signature: s9(2)(a)

Name and title Caroline Greaney, Deputy Secretary Policy
Date signed out 7 August 2025

Quality Assurance Statement

Reviewing Agency: Ministry of Justice	QA rating: Partially meets
Panel Comment: The Ministry of Justice's Regulatory Impact Assessment quality assurance panel has reviewed the <i>RIS: Improving alcohol regulation to support economic growth</i> prepared by the Ministry of Justice and considers that it partially meets the quality assurance criteria. The RIS uses a range of evidence to support the problem definition and outline the status quo, including using proxies for consultation such as feedback from previous processes and other sources of stakeholder views. The RIS is clear about the impact of Ministerial direction and time constraints, and a lack of public consultation. The RIS acknowledges that certain options have not been analysed, and it is not possible to assess if they would more effectively achieve the policy objectives. However, the panel considers that the analysis is sufficient to be relied on by decision makers. Public consultation may have more clearly supported the analysis in the RIS, or identified where other options could be more effective.	

Section 1: Diagnosing the policy problem

What is the context behind the policy problem and how is the status quo expected to develop?

The alcohol industry provides economic benefits to New Zealand

1. Alcohol is widely consumed in New Zealand. This has led to a multi-billion-dollar, multi-sector alcohol industry comprised of both small businesses and larger corporations contributing \$1.92 billion to GDP and \$1.819 billion in tax (excise and GST). An estimated 10,000 employees work in the industry and alcohol contributes indirectly to almost 21,000 further jobs.
2. Approximately 76% of adult New Zealanders consumed alcohol in the year to 30 June 2024.¹

Alcohol is also linked to harm and violent crime

3. Hazardous drinking carries an elevated risk of harm to individuals, families, community, future generations, and society. 16.6% of adult alcohol consumption is done hazardingly (i.e. as part of an established pattern of drinking with elevated risk of damage to physical or mental health). 11% of emergency department presentations in New Zealand were alcohol-related in 2022.² Men are twice as likely to report hazardous drinking as women.³ Young people (aged 18 to 24 years), Māori and Pacific peoples are also overrepresented as hazardous consumers.⁴
4. On-demand delivery is associated with heavier drinking and is likely to extend drinking sessions that would otherwise have ended without its availability, although the evidence for this was mainly collected during the Covid lockdown periods.⁵

¹ Ministry of Health (2024). *Annual Update of Key Results 2023/24: New Zealand Health Survey*.

² Joyce, L. R., L. Cleland, E. Forman, A. Hlavac, J. Foulds & R. Crossin (2024). "Changes in alcohol-related emergency department presentations—a comparison of three waves in 2013, 2017 and 2022," *New Zealand Medical Journal*, 137(1593), pp. 58–67. <https://doi.org/10.26635/6965.6375>.

³ Ibid.

⁴ Ministry of Health (2023). *New Zealand Health Survey 2022/23*.

⁵ Huckle, T., K. Parker, J. S. Romeo & S. Casswell (2021). "Online alcohol delivery is associated with heavier drinking during the first New Zealand COVID-19 pandemic restrictions." *Drug and Alcohol Review*, 40, pp. 826–834.

5. It is estimated that alcohol-related harm cost New Zealand approximately \$9.1 billion in 2023.⁶ Harms include crime, misuse and addiction, non-communicable diseases (e.g. cancers, pancreatitis, diabetes, cardiovascular and liver diseases), foetal alcohol spectrum disorders (FASD), lost productivity, ACC costs, and unemployment.⁷ People with FASD are overrepresented in the criminal justice system.⁸ Similarly, trauma from victimisation (e.g. childhood maltreatment) can drive alcohol addiction and misuse.⁹

There are thousands of licenced premises across New Zealand

6. There are thousands of licensed premises across New Zealand, including bars, restaurants, vineyards, clubs and other types of premises. As of 30 June 2024, Auckland had a total of 4272 licensed premises, Wellington City had 699. As of July 2025, Christchurch City had 1121 licensed premises.

The impacts of harmful drinking fall disproportionately on certain parts of the population

7. Māori and economically disadvantaged New Zealanders are disproportionately more likely to face harm from hazardous drinking. People living in the poorest neighbourhoods are 1.3 times more likely to report drinking hazardously than those living in the wealthiest.
8. The proportion of Māori who drink is roughly the same as the general population. However, 46.6% of Māori men and 28.8% of Māori women who drank alcohol in the past year reported drinking hazardously (compared to 27.5% of men and 15.8% of women in the general population).¹⁰ The Justice Committee report on the Sale and Supply of Alcohol (Community Participation) Amendment Bill noted, “one hundred and twenty-five submissions raised concerns about the absence of references to Te Tiriti o Waitangi in the Principal Act, a failure to give Māori tools to bring about change, and persistent harm experienced by Māori as a result of alcohol.”¹¹
9. The Wai 2624 Claim,¹² heard in the Waitangi Tribunal as part of the Wai 2575 Health and Services Outcomes Inquiry, states Māori “suffer more harm from the sale and supply of alcohol than any other demographic group in New Zealand,” evidenced by:
 - a. Māori being 1.8 times more likely to “binge drink” and 2.5 times more likely to die from an alcohol-attributable death compared to non-Māori

⁶ New Zealand Institute of Economic Research (2024). *Costs of alcohol harms in New Zealand: Updating the evidence with recent research*. Available at: <https://www.health.govt.nz/publications/costs-of-alcohol-harms-in-new-zealand-updating-the-evidence-with-recent-research>.

⁷ *Ibid.* & Sale and Supply of Alcohol Act 2012, s 4(2).

⁸ Butcher, J. (2020). “The Revolving Door: Are we sentencing people with FASD to a life trapped in the criminal justice system?” *Auckland University Law Review*, 26(2020), pp. 150–177. Available at: <https://www.aulr.org/>
Sherwood, K. (2019). “Fallen by the wayside: You people with Fetal Alcohol Spectrum Disorder (FASD) in New Zealand’s youth justice system,” *University of Otago*. Available at: <https://hdl.handle.net/10523/9948>.

⁹ Smith, N. D. L., L. B. Cottler (2018). “The epidemiology of post-traumatic stress disorder and alcohol use disorder,” *Alcohol Research*, 39(2), pp. 113–120; and
Wang, L., C. An, M. Song, N. Li, Y. Gao, X. Zhao, L. Yu, Y. Wang & X. Wang (2020). “Evaluation of childhood traumatic experience as a risk factor for alcohol use disorder in adulthood,” *BMC Psychiatry*, 20(15). <https://doi.org/10.1186/s12888-020-2428-5>.

¹⁰ Chambers, T., et al (2024). “Estimated alcohol-attributable health burden in Aotearoa New Zealand”. Wellington, New Zealand; Ministry of Health. *Annual update of key results 2021/22: New Zealand Health Survey*. Wellington (NZL): Ministry of Health;2022. Accessed 22 Nov 2022. <https://minhealthnz.shinyapps.io/nz-health-survey-2021-22-annual-data-explorer>

¹¹ See the *Final Report of the Justice Committee on the Sale and Supply of Alcohol (Community Participation) Amendment Bill*, p 6.

¹² This claim has been supported by numerous experts in the industry, including Alcohol Healthwatch Executive Director Nicki Jackson. It can be found here: <https://www.tematalaw.co.nz/our-mahi/wai-2624>

- b. Māori being overrepresented as both victims and perpetrators of violent crime, comprising approximately half of New Zealand's prison population (with Police data showing 31–46% of all offences were committed by persons affected by alcohol), and
 - c. young Māori men aged 15–24 years suffering more harm from living in areas with high numbers of liquor outlets in comparison to European men living in communities with the same number of liquor outlets.¹³
10. The Crown has obligations to reduce disparities of outcomes in these areas under Article Three of te Tiriti o Waitangi/the Treaty of Waitangi¹⁴ and can use alcohol regulation as a lever to achieve this.

The Act seeks to provide a balanced approach to harm minimisation and economic efficiency

11. The Act is designed to ensure:
- a. the sale, supply, and consumption of alcohol is undertaken safely and responsibly, and
 - b. the harm caused by the excessive or inappropriate consumption of alcohol is minimised.¹⁵
12. The Act, and the rest of the broader regulatory regime, aim to enable alcohol sales and consumption to occur in ways that minimise the harm that can result. The main lever for doing this is requiring anyone wanting to sell or supply alcohol to hold a licence, with the ability for that licence to be suspended or removed if licence holders do not comply with requirements.
13. Territorial authorities are responsible for creating Local Alcohol Policies (LAPs) and providing alcohol licences through their District Licensing Committees (DLCs). This system is designed to provide local communities influence over how, when and where alcohol can be purchased in their area. While territorial authorities have a wide discretion for setting LAPs and making licensing decisions, these decisions must be consistent with national settings.
14. LAPs can set conditions for the sale and supply of alcohol differing from default settings in the Act, such as maximum trading hours. For example, Auckland has adopted a LAP setting maximum trading hours for off-licences at 7am to 9pm (the national default is 7am to 11pm).¹⁶

¹³ See [Amended Statement of Claim for WAI 2624 in the Waitangi Tribunal](#), pp. 2–3.

¹⁴ To “protect all the ordinary people of New Zealand [i.e. Māori] and . . . give them the same rights and duties of citizenship as the people of England” in the English translation of te Tiriti o Waitangi and “[to extend] to the Natives of New Zealand Her royal protection and [impart] to them all the Rights and Privileges of British Subjects” in the original English version of the Treaty of Waitangi – see [The three articles of the Treaty of Waitangi – Nation and government – Te Ara Encyclopedia of New Zealand](#).

¹⁵ Section 4, Object of the Act [Sale and Supply of Alcohol Act 2012 No 120 \(as at 05 April 2025\)](#), [Public Act 4 Object – New Zealand Legislation](#)

¹⁶ Auckland Council (2022). *Auckland Council Local Alcohol Policy: Kaupapa Māhere ā-Takiwā mo te Waipiro*. Available at: <https://www.aucklandcouncil.govt.nz/plans-projects-policies-reports-bylaws/our-policies/Pages/draft-local-alcohol-policy.aspx>.

The Act enables local communities to participate in the licensing process

15. The Act supports communities to participate in the licensing process and influence alcohol availability in their community. The Act was amended in 2023 to:
- a. allow any person or representative of a group or organisation to object to an alcohol licence application or renewal. Before this change, objectors needed to show “greater interest than the public generally” in the application, and
 - b. enable DLCs to decline to renew a licence if it would be inconsistent with a policy on location or density in the relevant LAP. Before this, DLCs could not decline to renew a licence which would be inconsistent with an LAP but could impose conditions on any renewed licence.¹⁷
16. Table One sets out government responsibility for alcohol regulation.

Table One: Alcohol regulation responsibility across government

Central government – The Act and its regulations	The Ministry of Justice administers the Act and the Supply of Alcohol Regulations 2013 (the Regulations), which place controls on the sale, supply, and consumption of alcohol in New Zealand. Police has an enforcement role, while the Ministry of Health and Health New Zealand play a key role in reducing alcohol-related harm.
Territorial authorities – LAPs	A territorial authority can develop and adopt a LAP, on which it must consult, using the specific consultative procedure provided in the Local Government Act 2002. DLCs must consider LAPs when making licensing decisions.
Territorial authorities – DLCs	DLCs are specialised, quasi-judicial council committees appointed by the relevant territorial authority. DLCs consider and determine applications for licences and renewals, managers’ certificates and licence variations. Police, Medical Officers of Health and licensing inspectors have statutory roles in licensing processes and enforcement of the regime. Any person may object to an application for a licence, without restriction by geographic location or interest in the matter, unless they would commercially benefit from the application being declined.
Judiciary – Alcohol Regulatory and Licensing Authority	The Alcohol Regulatory and Licensing Authority (ARLA) is an independent tribunal that considers and determines: <ul style="list-style-type: none"> • applications made by licensing inspectors and Police for the variation, suspension, or cancellation of liquor licences and manager’s certificates, and

¹⁷ Ministry of Justice (2023). *Departmental Report: Sale and Supply of Alcohol (Community Participation) Amendment Bill*, pp. 28–32. Available at: <https://bills.parliament.nz/v/6/ac17d356-0181-4e8d-825a-ce0c681ebae5?Tab=sub>.

	<ul style="list-style-type: none">• appeals against individual licensing decisions made by DLCs. <p>If ARLA agrees, DLCs may also refer applications for licences and managers' certificates directly to ARLA. Parties can appeal ARLA decisions in the High Court.</p>
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The Act establishes several different types of alcohol licence

17. A person or business may only sell or supply alcohol if they hold an alcohol licence. The licensing regime in the Act provides for four types of licences:
- On-licence** (sections 14 to 16 of the Act) – allows the sale or supply of alcohol for consumption on the premises. This includes, for example, pubs, hotels, restaurants, cafés, bars, or conveyances like buses, trains or aeroplanes.
 - Off-licence** (sections 17 to 20 of the Act) – allows the sale or supply of alcohol for consumption other than on the premises. This includes, for example, bottle stores, supermarkets, or by delivery.
 - Club licence** (section 21 of the Act) – allows the sale and supply of alcohol for consumption on the premises but only to club members, their guests, and members of other clubs with reciprocal visiting rights. This includes, for example, sports clubs, RSAs, or working men's clubs.
 - Special licence** (section 22 of the Act) – allows the sale or supply of alcohol to anyone attending events. Special licences can be “on-site” or “off-site” and granted for “one-off” and series of events, such as a concerts, food and wine festivals, music festivals, farmers' markets, and functions in public venues.

Licences can be subject to a wide variety of conditions

18. Mandatory and discretionary licence conditions vary and can be imposed to manage and mitigate the risk of alcohol-related harm. For example, mandatory conditions include a requirement for club and on-licence holders to always provide non-alcoholic drinks, low-alcohol drinks, food and information about transport options.
19. Licensing bodies can also impose discretionary conditions when granting an application for a licence. For example, a DLC in Auckland could grant a bottle store an off-licence under the condition its maximum trading hours are 8am to 8pm, although the relevant LAP allows longer trading hours.

On-licence and club licences must stock both non-alcohol and low alcohol products

20. The Act requires holders of on-licences and club licences to stock low-alcohol products. This is in addition to the requirement to stock a reasonable range of non-alcoholic drinks when the premises are open to sell alcohol.¹⁸
21. In June 2024, the Petitions Committee presented the *Final Report on the Petition of Kevin Scott: Require holders of on-licences to provide zero-alcohol wines, beers, and spirits* to Parliament. The report recommended amendments to allow licensed venues to meet their requirements by providing low-alcohol and/or zero-alcohol drinks.¹⁹

¹⁸ Sections 51 and 52 of the Act.

Special licences are needed for one-off events

22. Special licences for selling alcohol at a one-off event or a series of events are made to the local DLC and, for events involving more than 400 people, alcohol management plans are required. Where a series of events takes place across multiple regions, applications must be made to each local DLC in which the events take place.
23. Individual special licences can be subject to conditions, including the type of alcohol that can be sold, when it may be sold, and steps to be taken to ensure alcohol is not sold or supplied to underage or intoxicated people. The DLC also has a power to impose any other reasonable conditions consistent with the purpose of the Act.
24. Currently, licensed premises must also apply for a special licence to vary their opening hours. Temporary amendments to the Act were made for the men's Rugby World Cups in 2015, 2019 and 2023 allowing licensees to extend their trading hours without needing to apply for a special licence to open where, due to time differences, games were played outside the trading hours for the premises. There is no evidence to suggest a significant increase in alcohol-related harm due to those amendments.

Alcohol can be sold and delivered remotely

25. Off-licences can remotely sell and deliver alcohol, with few rules regulating access to alcohol this way. Evidence indicates the use of remote delivery to access alcohol, especially on-demand delivery, has proliferated since the Act was brought into force. Its use increased significantly during the COVID-19 pandemic.²⁰
26. Remote sales and delivery of alcohol provides flexibility to businesses and consumers and is offered in two ways:
 - a. Online sales can be made using for delivery later. For example, buying direct from alcohol manufacturers (e.g., wineries, breweries, distilleries) or alcohol stores (e.g., supermarkets or liquor stores).
 - b. On-demand alcohol delivery (within two hours of purchase) facilitated through third-party providers (e.g. Uber, DoorDash, etc.).
27. Currently, remote sales cannot be delivered after 11pm and before 6am the next day.²¹ The Act also requires licence holders selling remotely to take reasonable steps to verify the buyer or receiver is over 18 years old.²²
28. The Act and Regulations do not provide for training or accreditation of delivery drivers to ensure safe and lawful supply (such as not supplying to underage or intoxicated people), nor clear liability for parties failing to meet requirements. Police has indicated

¹⁹ See *Final Report of the Petitions Committee on the Petition of Kevin Scott: Require holders of on-licences to provide zero-alcohol wines, beers, and spirits*, 20 June 2024, p 3.

²⁰ Crossin, R., D. Norriss, C. McKerchar, G. Martin, T. Pocock & A. Curl (2023). "Quantifying access to on-demand alcohol in New Zealand." *Drug and Alcohol Review*, 42(2), pp. 416–424. John Wiley & Sons Australia Ltd. <https://doi.org/10.1111/dar.13785>;

Miles, H., B. Apeldoorn, C. McKerchar, A. Curl & R. Crossin (2022). "Describing and characterising on-demand delivery of unhealthy commodities in New Zealand." *Australian and New Zealand Journal of Public Health*, 46(4), pp. 429–437. Wiley Online. <https://doi.org/10.1111/1753-6405.13230>; and

Sneyd, S., & M. Richardson (2024). "Alcohol Home Deliveries: age verification processes of online alcohol delivery companies in Auckland, New Zealand." Auckland, New Zealand. *Alcohol Healthwatch*.

²¹ Sale and Supply of Alcohol Act 2012, ss 59(1) and (2).

²² Sale and Supply of Alcohol Act 2012, ss 59(3) and (4). 'Reasonable steps' are set out in Regulation 14 of the Sale and Supply of Alcohol Regulations 2013.

current provisions do not enable sufficient monitoring or enforcement of remote sales. Alcohol delivery service providers, including licence-holder delivery, appear to apply consistent policies and terms²³ including charges on buyers for non-delivery due the receiver being underage or intoxicated. Appendix One sets out available information on delivery models.

29. The Court of Appeal recently ruled that Uber drivers are employees of Uber, rather than contractors to users facilitated by Uber.²⁴ This establishes a greater level of responsibility for on-demand services and their drivers. There is limited information on how effective employers' regulation of employees is under either employment relationships.²⁵ The impact of this ruling to on-demand delivery services is contested²⁶ – including the impact for responsibility to comply with requirements for the remote sale and delivery of alcohol.

Remote sale and delivery pose specific uncertainties and risks

30. Rapid on-demand delivery (generally considered to be within two hours of purchase) has become more common since the COVID-19 Pandemic. It has increased access to alcohol and may undermine the current regulatory settings which aim to minimise harm.²⁷ Rapid delivery is associated with heavier drinking, is likely to extend drinking sessions that would otherwise have ended if the rapid alcohol delivery was not available, and is likely to increase alcohol consumption.^{28,29}
31. Recent research into on-demand remote delivery of alcohol in Auckland showed that:
- 73% of alcohol orders did not request age verification,
 - 49% of alcohol orders were left unattended at the door (contactless),

²³ This table provides policies and terms available on the respective services' websites (see footnote below).

Compare terms of conditions for (accessed 22 April 2025):

- *Liquorland New Zealand* (clause 7): <https://www.liquorland.co.nz/terms-and-conditions/>;
- *Thirsty Liquor Tauranga*: <https://www.thirstyliquortauranga.co.nz/policies/terms-of-service/>;
- *Glengarry Wines* (clause 3): <https://www.glengarrywines.co.nz/termsconditions/>;
- *DoorDash* (clause 16): https://help.doordash.com/legal/document?type=cx-terms-and-conditions®ion=US&locale=en-US&gl=1*1bve5sf*_qcl_au*NzAwOTkyNDkzLjE3NDAxMDI4MDQ.&_ga=2.10217267.720918892.1740102805-799330822.1740102805;
- *DeliverEasy* (clause 6): <https://www.delivereasy.co.nz/legal/>; and
- *Uber*: <https://www.uber.com/en-NZ/blog/auckland/alcohol-delivery-on-uber-eats-nz/>.

²⁴ *Rasier Operations BV v E Tū Inc* (2024) 20 NZELR 813.

²⁵ New Zealand Transport Agency | Waka Kotahi (2023). "Research Report 709: The gig economy and road safety outcomes," *Resources*. Available at: <https://www.nzta.govt.nz/resources/research/reports/709/>.

²⁶ Anderson, G. (2024, September 10). "Misconceptions and missed points about Uber case," *The Post*. Available at: Crampton, E. (2024, September 9). "Court ruling on Uber drivers undermines the ride-share model," *The New Zealand Initiative*. Available at: <https://www.nzinitiative.org.nz/reports-and-media/opinion/court-ruling-on-uber-drivers-undermines-the-ride-share-model/>.

²⁷ McKerchar, C., S. Bidwell, A. Curl, T. Pocock, M. Cowie, H. Miles & R. Crossin (2023). "Promoting health in the digital environment: health policy experts' responses to on demand delivery in Aotearoa New Zealand." *Health Promotion International*, 38, pp. 1–15. <https://doi.org/10.1093/heapro/daad091>.

²⁸ Huckle, T., K. Parker, J. S. Romeo & S. Casswell (2021). "Online alcohol delivery is associated with heavier drinking during the first New Zealand COVID-19 pandemic restrictions." *Drug and Alcohol Review*, 40, pp. 826–34.

²⁹ Mojica-Perez, Y., S. Callinan & M. Livingston (2019). "Alcohol home delivery services: an investigation of use and risk." La Trobe University, Australia: Centre for Alcohol Policy Research, Foundation for Alcohol Research and Education, 2019apo.org.au/node/27068.

- c. 29.5 minutes was the average delivery time for companies offering rapid delivery, and
 - d. 87.5% of delivery companies broke their own restricted items policy.³⁰
32. Stakeholders have said that the current settings cause some regulatory irregularities:
- a. **Extended hours:** Alcohol can be delivered outside the national off-licence trading hours. In one study of 77 jurisdictions including Australia, Canada, and the United States, New Zealand was one of only a few who allowed this.³¹
 - b. **Gaps in liability and enforcement:** requirements about the sale or supply to prohibited persons relate to sale and supply by licensees, managers, or employees on licensed premises. This means that liability does not necessarily extend to third parties such as drivers or couriers who deliver alcohol.

What is the policy problem or opportunity?

33. The alcohol regulatory system is complex and detailed. As the steward of the system, the Ministry has identified opportunities to:
- remove or reduce regulatory requirements that are not proportionate or are not achieving their intended purpose, and;
 - ensure that the system is delivering on the object of the Act, which is to minimise the harm caused by excessive or irresponsible consumption of alcohol.
34. The Government is committed to removing unnecessary regulation that creates barriers to economic growth. Alongside operational and other measures, adjusting alcohol legislative settings can contribute to these goals. There is an opportunity to drive growth in various parts of the economy, including the events and cultural sector, by removing unnecessary regulatory barriers. Industry stakeholders have previously said they would benefit from more streamlined licensing requirements and processes, such as for special licensing.
35. At the same time, excessive or irresponsible consumption of alcohol is a significant contributor to harm and violent crime. The object of the Act also expressly focuses on minimising the harm caused by the sale of alcohol.

Ministers and officials have heard from the industry about potentially unreasonable regulatory barriers

36. Representatives of the hospitality and events sectors have reported a range of constraints to Ministers and officials with questions about whether they are justified. For example:
- a. Current legislation allows anyone to object to a licence application/renewal, regardless of whether they live in the area or are directly affected. This is seen by some alcohol retailers as adding unreasonable costs to the licensing process.

³⁰ Sneyd, S. & M. Richardson (2024). *Alcohol Home Deliveries: age verification processes of online alcohol delivery companies in Auckland, New Zealand*. Auckland, New Zealand. Alcohol Healthwatch.

³¹ Colbert, S., C. Wilkinson, L. Thornton, X. Feng, R. Richmond (2021). "Online alcohol sales and home delivery: An international policy review and systematic literature review." *Health Policy*. S0168851021001901.

- b. There is currently no process for licence applicants to respond to objections raised during the licensing process. This can mean that DLC chairs/members are not able to consider responses or proposed mitigations.
 - c. The process for issuing special licences is complex and time consuming, making it difficult for event promoters to obtain licences in a timely fashion. Decisions can also differ across territorial authorities, which imposes extra cost and risk on events to be held across New Zealand.
 - d. The current restrictions on club licences (only allowed to serve members and guests) may be unreasonably restricting clubs from interacting with the broader community.
37. New Zealand has approximately 5,600 mostly small, independent businesses across the hairdressing, barbering, and beauty services industries. The Ministry for Regulation (MFR) recently completed a Regulatory Review across these industries (the Review). In May, Cabinet approved recommendations arising from the Review, including that MFR work with the Ministry of Justice to explore the feasibility of an exemption for hairdressing salons and barbershops from the requirement to hold an on-licence if they wish to supply a small volume of alcohol to customers.³²
38. Conversely, groups focusing on combatting alcohol harm (for example, Alcohol Healthwatch and Communities Against Alcohol Harm) and public health advocacy groups express concerns about alcohol regulation not being sufficient to curb alcohol harm. These groups frequently note that alcohol is New Zealand's most harmful drug.

Alcohol is also connected to violent offending

39. Evidence establishes a connection between intoxication and aggressive behaviour and interpersonal violence.³³ Ministry modelling based on the New Zealand Crime and Victims Survey estimates that, in 2023, 53% of violent crime victims experienced at least one violent event involving alcohol.³⁴ In 2018, Police recorded an average 103 offences per day involving an alleged offender who had consumed alcohol prior to offending.³⁵ Police invests considerable resources responding to alcohol-related incidents including homicides, drink driving, family violence, and ensuring the safety of intoxicated persons.³⁶
40. Research shows:
- a. Internationally, the role of alcohol intoxication is strongest in homicide, sexual assault, robbery, and burglary.³⁷
 - b. In New Zealand, alcohol consumption is estimated to cause up to 9.9% of impulsive crimes (e.g. assault, property damage, vandalism, arson).³⁸

³² The Cabinet minute *EXP-25-MIN-0047* refers.

³³ *Ibid.*

³⁴ Ministry of Justice (2023). *New Zealand Crimes and Victims Survey: Nov 2022 – Nov 2023 (Cycle 6)*. Available at: <https://www.justice.govt.nz/justice-sector-policy/research-data/nzcvs/nzcvs-cycle-6-resources-and-results/>.

³⁵ New Zealand Police (2018). *Alcohol Action Plan 2018*. Available at: <https://www.police.govt.nz/about-us/publication/alcohol-action-plan-2018>.

³⁶ *Ibid.*

³⁷ New Zealand Institute of Economic Research (2024). *Costs of alcohol harms in New Zealand*.

³⁸ Boden, J. M., D. M. Fergusson, L. J. Horwood (2013). "Alcohol misuse and criminal offending: Findings from a 30-year longitudinal study," *Drug and Alcohol Dependence*, 128(1–2), pp. 30–36. Available at:

- c. Alcohol misuse can increase the severity of family violence and sexual violence.³⁹
 - d. Alcohol is linked to intimate partner violence and child maltreatment.⁴⁰
 - e. Disabled people are disproportionately represented as victims of crime, particularly sexual violence and intimate partner violence which are linked to alcohol abuse⁴¹
 - f. Close proximity to alcohol retailers is associated with increased crime.⁴²
41. In its 2010 report, *Alcohol in our lives*, the Law Commission noted, “independent of other social factors, reducing levels of intoxication in society should reduce levels of violent offending.”⁴³

What objectives are sought in relation to the policy problem?

42. The Ministry’s objectives are to:
- a. Remove or reform regulatory requirements that are disproportionate or not achieving their intended purpose, and;
 - b. Better deliver on the object of the Act to minimise harm and violent crime occurring because of excessive or inappropriate alcohol consumption.
43. Sometimes these objectives will be in tension. In many cases, efforts to reduce harm will impose additional costs on businesses which will dilute any efforts to reduce regulatory burden. We consider some changes can be made that would provide businesses (and potentially consumers) with savings without triggering any substantial increases in alcohol-related harm and violent crime. Those changes form the basis of Option 2.
44. Any harm reduction benefits would be expected to have larger benefits for groups that experience harm at higher rates under the current system.

What consultation has been undertaken?

45. Timing constraints means the Ministry has been unable to carry out public consultation on these options. The Ministry has considered previous engagement, including Select Committee submissions, in developing this work.

<https://doi.org/10.1016/j.drugalcdep.2012.07.014>.

³⁹ Noonan, P., A. Taylor, J. Burke (2017). “Links between alcohol consumption and domestic and sexual violence against women: Key findings and future direction.” *ANROWS Compass: Research to policy and practice*, 8(2017), pp. 3–6.

⁴⁰ Crossin, R., L. Cleland, A. Beautrais, K. Witt, J. Boden (2022). “Acute alcohol use and suicide deaths: an analysis of New Zealand coronial data from 2007–2020,” *New Zealand Medical Journal*, 135(1558), pp. 65–78. <https://doi.org/10.26635/6965.5693>.

⁴¹ Using data from 2018–2023, compared with non-disabled adults, disabled adults were more likely to be:

- victims of family offences (7% compared with 2%)
- victims of any lifetime sexual assault (41% compared with 24%)
- victims of any lifetime partner assault (35% compared with 16%).

Source: Age-adjusted data from the *Ministry of Justice, New Zealand Crime and Victims Survey. Key results – Cycle 6, 2024*. Available at: <https://www.justice.govt.nz/assets/Documents/Publications/NZCVS-2023-Key-Results-Cycle-6.pdf>.

⁴² Hobbs, M., L. Marek, J. Wiki, M. Campbell, B. Y. Deng, H. Sharpe, J. McCarthy, S. Kingham (2020). “Close proximity to alcohol outlets is associated with increased crime and hazardous drinking: Pooled nationally representative data from New Zealand.” *Health & Place*, 65(102397). <https://doi.org/10.1016/j.healthplace.2020.102397>.

⁴³ New Zealand Law Commission (2010). *Alcohol in our lives: curbing the harm* (NZLC R114). Wellington: Law Commission, p. 76. Available at: <https://www.lawcom.govt.nz/assets/Publications/Reports/NZLC-R114.pdf>.

46. The Ministry worked with the Ministry of Business, Innovation and Employment, Ministry of Culture and Heritage, Department of Internal Affairs, NZ Police, Ministry for Regulation, and the Ministry of Health during the policy development phase to identify and assess the likely impact of different options.
47. While not specific to the proposals that are the subject of this RIS, recent consultation undertaken by Ministry for Regulation officials for the Hairdressing and Barbering Regulatory Review has also informed our work. This consultation focused on understanding the general regulatory context and issues for hairdressing and barbering businesses.
48. The following Justice Committee reports also provide relevant information on public and stakeholder submissions on connected areas:
 - a. Sale and Supply of Alcohol (Winery Cellar Door Tasting) Amendment Bill⁴⁴
 - b. Sale and Supply of Alcohol (Community Participation) Amendment Bill⁴⁵
 - c. Sale and Supply of Alcohol (Rugby World Cup 2023 Extended Trading Hours) Amendment Bill⁴⁶
 - d. Sale and Supply of Alcohol (Renewal of Licences) Amendment Bill (No 2)⁴⁷
 - e. Sale and Supply of Alcohol (Display of Low-alcohol Beverages and Other Remedial Matters) Amendment Bill.⁴⁸
49. We consider that previous reports and consultation findings provide some useful analysis. However, we acknowledge that they do not necessarily cover all proposals in the RIS and do not provide a comprehensive set of views from all affected parties.

Section 2: Assessing options to address the policy problem

What criteria will be used to compare options to the status quo?

50. The following criteria will be used to assess the options:
 - a. **Reduces regulatory burden:** The extent to which the options will reduce the costs faced by businesses to sell and supply alcohol, and reduce the burden faced by businesses to comply with legal requirements. This may include direct financial savings, and time savings from not having to comply with certain requirements.
 - b. **Consistent:** The degree to which the option is consistent with the object of the Act, which is to minimise the harm associated with the sale and supply of alcohol. This

⁴⁴ Available at: https://www.parliament.nz/en/pb/sc/submissions-and-advice/document/54SCJUST_ADV_127188_JUST1782/ministry-of-justice-departmental-report.

⁴⁵ Available at: https://www.parliament.nz/en/pb/sc/submissions-and-advice/document/53SCJU_ADV_130167_JU234979/ministry-of-justice-departmental-report-sale-and-supply.

⁴⁶ Available at: https://www.parliament.nz/en/pb/sc/submissions-and-advice/document/53SCJU_ADV_c12c6598-be26-477e-f82b-08db6650872c_JU235849/ministry-of-justice-departmental-report-ssa-rcw-2023.

⁴⁷ Available at: https://www.parliament.nz/en/pb/sc/submissions-and-advice/document/52SCGA_ADV_76343_GA1671/departamental-report-for-the-sale-and-supply-of-alcohol.

⁴⁸ Available at: https://www.parliament.nz/en/pb/sc/submissions-and-advice/document/51SCJE_ADV_00DBHOH_BILL68044_1_A527160/departamental-report.

criterion also covers impacts on groups who currently face disproportionate negative effects.

- c. **Ease of implementation:** The degree to which the option can be simply implemented, with any additional costs to government and regulated parties minimised.

What scope will options be considered within?

- 51. The scope of options considered in this RIS has been constrained by ministerial decisions to exclude certain options, and the initial timeframes set out to complete this work. In September 2024, the Ministry provided a range of policy interventions to ministers that would restrict access to alcohol with the aim of reducing violent crime and delivering on Target 4.
- 52. The September advice included options such as setting restrictions on the proximity and density of licensed premises, and more severe offences and penalties for not complying with requirements. The Ministry noted the potential for other policy interventions that could achieve a reduction in violent crime, including restrictions on advertising, marketing and sponsorship of alcohol, taxation, and amending the wider alcohol licensing process. These interventions were based on evidence and drew on international experience.
- 53. Ministerial decisions in September 2024 and April-July 2025 refined and narrowed the scope of options, with no further analysis on wider policy interventions undertaken as part of the current work programme. Ministers also directed that the primary focus be on reducing regulatory burden, which has impacted the scope of harm reduction options analysed and included in this RIS. Consequently, there are some potential harm-reduction interventions that are not included in this RIS (for example, minimum unit pricing or setting a cap on the number of licensed premises).
- 54. It is possible that some actions (for example, reducing the number and density of licensed premises) would have a larger impact on reducing harm than the options included but they also come with higher costs, particularly for the industry. Given the lack of analysis done, we are unable to say whether these options would have been preferred had they been included.
- 55. Government priorities and the Ministry's policy work programme do not currently allow for a wider review and rewrite of the Act. Options analysed are focused on amending discrete elements of the existing regulatory system.

What options are being considered?

Option One - Status Quo

- 56. This option involves no change to the status quo.

Option Two - Focus on removing disproportionate or ineffective regulatory requirements

- 57. This option involves implementing a set of changes to legislation and regulation to reduce/remove unnecessary or disproportionate burden on retailers/licence holders. Except for changes to regulation on remote delivery which may contribute to reducing

harm, these changes were primarily identified as ways to support businesses and reduce regulatory burden.

58. Table Two (below) sets out the specific legislative or regulatory changes included in this option. None of the changes in Table Two represent major changes to the current alcohol regulation framework. These changes are mostly untested and there is a limited evidence base.
59. In addition to the matters in Table Two, two other potential regulatory issues require further work and consultation before they can be considered for inclusion in the package:
 - a. Whether club licences should be changed to allow clubs to serve a broader range of customers, rather than only club members and their guests (as is currently the case).
 - b. Whether restaurants should be able to hold off-licences and on-licences at the same time – this is not currently possible under the Act.
60. While Option Two is primarily focused on removing regulatory constraints, it does not stop territorial authorities from taking actions to reduce harm. For example, Christchurch City and Auckland have both adopted LAPs that reduce maximum trading hours for off-licences and prevent any new off-licences in certain parts of the two cities.
61. Many of these issues were raised with the Minister by a range of stakeholders, with the Minister then directing their inclusion in the reform package. The table specifically identifies where the proposals did not originate with the Minister and conversations with stakeholders.
62. The proposals to adjust regulation for rapid alcohol deliveries may lead to some reductions in harm and violent crime. The other proposals included in Option Two are unlikely to either increase or reduce harm and violent crime in a significant way.

Table Two: List of regulatory reform initiatives included in Option Two

Initiative	Description
Limiting who can submit objections to licence applications/renewals	<p>The current system allows anybody to object to the granting or renewal of a licence. This change would amend the Act to restrict this to people/entities based in the same territorial authority area. This would not apply to iwi, in those situations where iwi boundaries overlap different territorial authorities.</p> <p>This option provides a compromise in scope between the large group of potential objectors captured under the current regime (under which anyone, anywhere can object) and the much smaller group (those within a 2-kilometre radius) captured under the previous “enhanced interest” test.</p>
Limiting the ability of DLCs to reject licence renewals to reflect changes in	<p>DLCs can currently decline to renew a licence if it would be inconsistent with a policy on location or density in the relevant LAP, even if the LAP was finalised after the licence was issued. Stakeholders raised this with the Minister as an issue that reduces</p>

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<p>local alcohol policy.</p>	<p>certainty for businesses.</p> <p>This option would return settings to those in force prior to enactment of the Community Participation Act. This option would protect existing licences by removing DLCs' ability to decline to renew a licence for inconsistency with the LAP, but DLCs will retain an ability to impose conditions on a renewed licence to make it more consistent with the revised LAP.</p> <p>This issue was raised by stakeholders in discussions with the Minister.</p>
<p>Extending winery cellar door provisions to other alcohol producers.</p>	<p>Current provisions in the Act allow wineries to charge for samples and to hold both on and off-licences. This change would extend that approach to breweries, meaderies and producers of other types of alcohol.</p> <p>When the winery cellar door provisions were introduced, some submitters suggested that they should be extended to all producers. This option responds to those submissions.</p>
<p>Changes to procedures for major televised events.</p>	<p>Legislative changes are currently needed to allow licensed premises to serve outside usual hours when there is a major televised event taking place (for example, the men's Rugby World Cups in 2015, 2019 and 2023). This option would remove the requirement for bespoke, ad-hoc legislative change by enabling the responsible Minister to declare a major televised event by Order in Council, provided the event meets certain criteria:</p> <ul style="list-style-type: none">• offers substantial sporting, cultural, social, economic, or other benefits for New Zealand or New Zealanders• significantly raises New Zealand's international profile; and• attracts large numbers of New Zealanders as participants or spectators. <p>This change was proposed by the Minister.</p>
<p>Exempting hairdressers and barbers from licensing requirements.</p>	<p>Currently, hairdressers and barbers wishing to supply alcohol to customers (as with other businesses) must apply to a DLC for an on-licence. Some hairdressers and barbers consider on-licence requirements are disproportionate to the volume of alcohol expected to be supplied and consumed in their business. The level of risk is largely unknown. While providing alcohol in hairdressing salons and barbershops is prohibited without an on-licence, it is reportedly practised in the industry.</p> <p>This option would allow hairdressers and barbershops to supply a small amount of alcohol to customers. The allowance would be limited to small amounts of alcohol served while someone is on the premises for an appointment, with a \$500 infringement offence for any business breaching the conditions. This proposed change is a result of the MfR regulatory review into the hairdressing and</p>

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	barbering industry.
Reducing complexity in the special licensing process	<p>The Ministry has heard concerns from people in the creative and cultural sectors about the complex application process for a special licence, including the time taken to process applications, the inconsistent and burdensome conditions imposed. Examples include events with more than 400 attendees needing complex alcohol management plans and the risk that different territorial authorities may make different decisions or impose different conditions.</p> <p>Actions to address this matter include updating the criteria in the Act that DLCs must consider when evaluating applications, designing risk levels and standard conditions to apply to each risk level. Other actions to simplify the process include lifting the threshold for a large event from 400 to 2000 attendees and requiring territorial authorities to consult with each other for events seeking special licences in more than one territorial authority.</p>
Requiring premises with on-licences or club licences to stock zero-alcohol options.	<p>The Act currently requires that premises with on-licences or club licences stock low-alcohol beverages. However, feedback from stakeholders indicates that tastes have evolved, with customers preferring zero-alcohol options. The Act would be amended to require premises to stock low-alcohol options.</p> <p>This change has been suggested through a members bill in the name of Mike Butterick MP. The Minister opted to incorporate this change in this reform package.</p>
Providing a right of reply for licence applicants.	<p>Changes made to the Act in 2023 to encourage community participation removed cross-examination from DLC hearings. There is currently no ability for licence applicants to respond to matters raised by objectors. Stakeholders raised this issue with the Minister.</p> <p>This option would provide for a right of reply for applicants, enabling them to respond to any objections raised. Providing a right of reply gives applications that opportunity without bringing back formal cross-examination which can discourage participation.</p>
Changes to rapid alcohol delivery requirements	<p>Rapid alcohol deliveries (in the absence of a statutory definition, we have defined these as any alcohol delivered within two hours of being purchased) enable potentially harmful drinking sessions to be extended easily. There are no specific requirements on companies or delivery people to verify the age or intoxication level of those they are delivering to.</p> <p>This option would insert provisions requiring delivery companies to verify the age or intoxication level of those they are delivering to (along with a requirement for any driver delivering alcohol to be at least 18 years old) will clarify the responsibilities of delivery</p>

	<p>companies.</p> <p>Many rapid delivery companies already have arrangements in place on these matters, explained in Appendix Two. Formalising these requirements in law provides certainty. This change originated from the Ministry's analysis of the status quo for rapid delivery.</p>
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How do the options compare to the status quo?

Table Three: Comparing initiatives in Option Two to the status quo

	Reduces regulatory burden	Consistent with the object of the Act	Ease of implementation
Limiting who can object to licence applications	+	0	0
	Has the potential to speed up some licence applications which can currently be delayed by objections from anywhere in the country.	Not expected to have any major impacts on alcohol-related harm, either in terms of reducing or increasing.	Simple change to the Act required to implement. Some changes to DLC processes required, but those are expected to be minor.
Limiting the ability of DLCs to reject certain licence renewals	+	-	0
	Provides certainty for licence holders that a change in local policy will not result in them having to close their business or surrender their licence	Potentially has a negative effect on the ability of territorial authorities to reduce alcohol harm in their area because it constrains the effects of LAPs. DLCs can still impose conditions on the renewed licence.	Simple change to the Act required to implement. Should not affect DLC processes.
Extending winery cellar door provisions to other producers	+	0	0
	The amendment would address the existing disparity between different business types raised by industry stakeholders and increase consumer choice for tasting experiences.	Not expected to have any major impacts on alcohol-related harm, either in terms of reducing or increasing.	Simple change to the Act required. Not expected to carry any significant additional implementation costs because these retailers are already regulated by the regime.
Changes to procedures for major televised events	0	0	+
	Not expected to make a significant difference to the sector. There may be a minor benefit from greater predictability about the kinds of events that might meet the threshold.	Not expected to have any major impacts on alcohol-related harm, either in terms of reducing or increasing.	Simple change to the Act required to implement. Will reduce costs to government by establishing a clear process and avoiding the need for ad-hoc legislative amendments in future.

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<p>Exempting hairdressers/barbers from licensing requirements</p>	<p align="center">+</p> <p>Will reduce the regulatory burden on the hairdressing and barbering industry. However, it will create equity issues for other industries who might also like to offer alcohol while delivering primary services to customers (e.g. nail salons).</p>	<p align="center">0</p> <p>The limited scope of the exemption and the small quantities of alcohol involved means that this change is not expected to materially impact alcohol-related harm.</p>	<p align="center">-</p> <p>Will bring additional businesses into the monitoring regime, increasing administration costs. Requires development of new appropriate conditions, definitions for serving size and premises, and enforcement provisions to avoid inadvertently creating loopholes for the way businesses operate.</p>
<p>Reducing complexity in special licensing</p>	<p align="center">++</p> <p>Pairing requirements for discretionary conditions to be 'reasonable' and 'not inconsistent' with the Act and a risk profile and guidance will give greater clarity to all parties by providing greater detail on expectations. Possible reduction in overall licensing fees for multi-location events because this option also removes the need for event organisers to liaise with multiple DLCs.</p>	<p align="center">+</p> <p>Will contribute to effective and targeted harm reduction because engaging with industry stakeholders (as well as councils, Police and the Ministry of Health) to develop the risk assessment tool will likely result in a more accurate, up to date understanding of known risks and their management.</p>	<p align="center">-</p> <p>Some initial costs for government to develop the risk-based framework, and minor cost increases for DLCs who will need to adjust processes and consult with each other on some applications.</p>
<p>Requiring premises with on-licences or club licences to stock zero-alcohol options.</p>	<p align="center">0</p> <p>Expands the range of products that businesses are required by law to stock, but impact expected to be minor for most retailers – zero alcohol options are readily available.</p>	<p align="center">0</p> <p>Not expected to have a meaningful impact on levels of harm – some customers may choose zero alcohol options rather than low alcohol.</p>	<p align="center">0</p> <p>Expenditure on this option can fall within existing monitoring spending of on-licence requirements to carry non-alcoholic and low-alcohol options under sections 51 and 52 of the Act.</p>
<p>Right of reply</p>	<p align="center">+</p> <p>Addresses an inequality in the licensing process and creates a level playing field</p>	<p align="center">0</p> <p>Not expected to have a meaningful impact on levels of harm.</p>	<p align="center">0</p> <p>Simple change to the Act required. DLCs may need to make minor process</p>

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	by ensuring that applicants can respond to objections and provide potential mitigations.		changes.
Changes to alcohol delivery requirements	-	<p align="center">+</p> <p>Increases the regulatory burden on rapid delivery companies by requiring them to implement processes not to serve underage or intoxicated people.</p> <p>Focuses on rapid delivery, where we consider that harm is most likely to be concentrated.</p> <p>More regulation has the potential to reduce harm by avoiding alcohol being provided to high-risk people (for example, those already intoxicated).</p>	-
			Police enforcement resource will be needed to monitor compliance. However, the number of rapid deliveries mean that it may be difficult to identify non-compliance.

Option Three - Focus on harm reduction interventions

63. This option involves a set of interventions with a stronger focus on reducing alcohol related harm. These interventions mostly focus on reducing the hours during which alcohol can be sold. Table Four sets out the additional initiatives included in Option Three and Table five analyses each of the interventions against the status quo.
64. Reducing hazardous alcohol consumption provides opportunities to support the Government's health- and growth-related targets, along with achieving Target 4 reductions in victims of violent crime.
65. Targets 1⁴⁹ and 2⁵⁰ aim to reduce emergency department and elective surgery wait times. The impacts of alcohol on health include high presentation in emergency departments and contributes to chronic diseases such as cancer, strokes, and cardiovascular diseases.

There are well-evidenced, strong interventions against alcohol-related harm

66. The set of interventions included in this option are all supported by evidence of their effectiveness or modelling estimating the impact. They do not represent a full spectrum of potential harm reduction interventions, but rather a targeted set supported by evidence and achievable within the scope of this work programme (not a full review of the Act).
67. Adjusting settings for sale, supply and consumption of alcohol is one of the government's strongest levers for reducing alcohol-related crime and the associated harms. The Act enables flexibility in trading hours across different parts of the country. By default, on-licences can sell alcohol from 8am to 4am the next day, and off-licences can sell alcohol between 7am and 11pm (territorial authorities can set shorter hours through LAPs). Territorial authorities can impose shorter trading hours through LAPs.
68. The later off-licence premises are open, the greater the risk that people will drink to a level that increases the likelihood of violent crime being committed. For example, one New Zealand study found drinkers who reported purchasing alcohol from off-licences after 10pm were twice as likely to be heavy drinkers compared to those who purchased alcohol from off-licences before 10pm.⁵¹ A Wellington study, focusing on purchases from off-licensed premises on weekend evenings, found that later purchasers reported higher levels of harm.⁵²
69. Further, on-licence premises are currently able to admit patrons up to the required closing time. This may contribute to crime and associated harms where many intoxicated people are removed from on-licensed premises at closing time and interact in streets.⁵³

⁴⁹ 95% of patients to be admitted, discharged, or transferred from an emergency department within six hours.

⁵⁰ 95% of people wait less than four months for elective treatment.

⁵¹ Casswell S, Huckle T, Wall M, Yeh LC (2014). "International Alcohol Control Study: Pricing Data and Hours of Purchase Predict Heavier Drinking." *Alcohol Clin Exp Res*. 38(5):1425-1431.

⁵² Health Promotion Agency (2016). *Alcohol Off-Licence Purchases and Subsequent Harm: Summary Report*. Wellington: Health Promotion Agency.

⁵³ Law Commission (2010). *Alcohol in Our Lives*, pp. 189–192.

70. Recent Police research found that “pre-loading” (consumers purchasing and consuming cheaper alcohol from off-licences before shifting their consumption to on-licensed premises) significantly contributed to intoxication, raising the risk of harm.⁵⁴

Table Four: Interventions to reduce alcohol-related harm

Intervention	Description
Reduce national default trading hours for off-licences	<p>The Act currently allows off-licences to trade between 7am-11pm. This option would limit off-licences to trading between 9am-9pm. This would be set in the Act, and DLCs would no longer have the option to set longer hours.</p> <p>Setting the default opening hour for off-licences to 9am means they will open after schools have started in the morning, reducing children’s access to alcohol.</p>
Reduce national default trading hours for on-licences.	<p>This option involves reducing the national default trading hours for on-licences from 8am-4am to 8am-2am. Evidence suggests that reducing the national default trading period by two hours will have the largest impact on alcohol related harm and violent crime. Purchasing patterns suggest that on-licences would lose less than 10 percent of current revenue.</p> <p>This change would be set in the Act, and DLCs would no longer be able to set longer hours.</p> <p>Setting the default at 3am would reduce lost revenue to approximately 3 percent of total sales.</p>
Impose one way door policies	<p>This option would require on-licences to prevent new customers from entering their premises one hour before the national default closing time for on-licences and clubs. It would be imposed through the Act, so would be binding across New Zealand.</p> <p>Territorial authorities could impose longer one-way door policies through LAPs.</p> <p>One-way door policies may be effective when combined with other initiatives, but there is limited evidence for this. The main positive impact is likely to be avoiding large numbers of intoxicated people exiting on-licences and clubs at the same time.</p> <p>It is not possible to calculate the potential impact on revenues for alcohol retailers from introducing a one-way door policy. Trends will differ widely between different venues in terms of when people leave.</p>
Reduce rapid alcohol delivery hours.	<p>This option involves adjusting the allowable hours for rapid alcohol deliveries to 6am-9pm (compared to the current 6am-11pm) to better align with revised off-licence trading hours.</p> <p>Evidence for the benefits of this approach is very limited – rapid deliveries are relatively new innovations and the extent of harm they cause has not yet been robustly determined.</p>

⁵⁴ New Zealand Police, Wellington City Council, Health New Zealand Te Whatu Ora (2024). *Breath alcohol levels and alcohol use behaviours among the public in Courtenay Place, Wellington*. Wellington: New Zealand Police. p 34. Available at: <https://www.police.govt.nz/about-us/publication/wellington-night-time-economy-nite-alcohol-behaviours-report>.

Table Five: Analysing the impact of proposed harm reduction interventions against the status quo

	Reduces regulatory burden	Consistent with the object of the Act	Ease of implementation
Reducing national default trading hours for off-licences	<p style="text-align: center;">-</p> <p>All obligations that currently apply will continue to apply, although there may be some minor costs associated with implementing reduced trading hours.</p> <p>Potential reduction of up to 20% of revenue for off-licences. This is more likely to apply to bottle stores that only sell alcohol, as opposed to supermarkets.⁵⁵</p> <p>Minor operational impacts for some businesses, for example, supermarkets that will remain open after 9pm but will not be able to sell alcohol.</p>	<p style="text-align: center;">++</p> <p>Some evidence that reducing off-licence trading hours impacts on crime. For example, when a supermarket in Papakura moved from 24-hour trading to 7am to 11pm, incidents to which Police were called within a 500-metres radius of the store more than halved over 12 months.⁵⁶</p> <p>Ministry of Justice modelling estimates an annual reduction in 1,200 victims for each hour off-licence trading is reduced in the evening.</p>	<p style="text-align: center;">0</p> <p>No direct additional costs for government, other than minor costs to inform the sector of the changes. Enforcement costs likely to remain the same.</p>
Reducing national default trading hours for on-licences	<p style="text-align: center;">-</p> <p>All obligations that currently apply will continue, although there may be some minor costs for businesses associated with implementing reduced trading hours.</p> <p>This will have a negative impact on revenue for businesses – approximately 9% of customers purchase alcohol between 2am and 4am. Approximately 3% of customers purchase alcohol between 3am and 4am.⁵⁷</p>	<p style="text-align: center;">++</p> <p>Previous reductions in on-licence trading hours have led to substantial reductions in violent crime and harm associated with alcohol.</p> <p>Ministry of Justice modelling estimates an annual reduction in victims of 3,000–6,000 if on-licence trading hours are reduced.</p>	<p style="text-align: center;">0</p> <p>No direct additional costs for government, other than costs to inform the industry of the changes.</p>

⁵⁵ Huckle and Parker (2019). *Alcohol purchasing behaviour of drinkers: National and local purchasing times*.

⁵⁶ New Zealand Law Commission, *Alcohol in our lives*, p.188.

Introducing one-way door policies	<p style="text-align: center;">-</p> <p>Small increase in regulatory requirements. May be some costs if on-licence holders must hire or train staff to operate one-way door policies.</p> <p>May have some impact on sales because customers cannot get in after a certain time, but very difficult to establish any evidence.</p>	<p style="text-align: center;">+</p> <p>There is not a lot of evidence to support the potential benefits of one-way door policies, partly because they are usually implemented jointly with other initiatives. Some evidence from Newcastle, NSW suggests one-way door policies reduced late-night harm associated with alcohol.</p>	<p style="text-align: center;">0</p> <p>Unlikely to have a marked effect on necessary enforcement resource, although may reduce the demand for Police resource at closing time. More enforcement resource likely to be required at the start to ensure compliance.</p> <p>If harm reduction benefits are delivered, then this will reduce the demand on the health system and the Courts system. We are not able to quantify the scale of these potential reductions.</p>
Reducing rapid alcohol delivery hours	<p style="text-align: center;">0</p> <p>No increase in regulatory burden. Requirements on rapid delivery services will remain the same, only delivery hours will change.</p>	<p style="text-align: center;">++</p> <p>Focuses on rapid delivery, where we consider that harm is most likely to be concentrated.</p> <p>More regulation has the potential to reduce harm by avoiding alcohol being provided to high-risk people (for example, those already intoxicated).</p>	<p style="text-align: center;">+</p> <p>Simple change to the Act required to implement. NZ Police may need to dedicate some resource to enforcing but the volume of general deliveries (with no prior knowledge of whether alcohol is included) will make it difficult to check compliance.</p>

Table Six: Analysis of the two options against the status quo

	Reduces regulatory burden	Consistent with the object of the Act	Ease of implementation
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⁵⁷ Ibid.

Option Two – focus on removing regulatory requirements	<p style="text-align: center;">+</p> <p>Proposes removing or changing a set of regulatory requirements that will reduce the costs many businesses face in complying with the Act. Savings are expected to be modest.</p>	<p style="text-align: center;">0</p> <p>Evidence is limited, but the limited scope of most of these proposals means that additional harm is unlikely to result if they are implemented.</p>	<p style="text-align: center;">-</p> <p>Minor additional costs for DLCs to adjust processes and implement new requirements.</p>
Option Three – focus on harm reduction	<p style="text-align: center;">-</p> <p>Reducing trading hours will impact on revenue. The proposed option could reduce revenue for off-licences by up to 25%, and up to 9 percent for on-licences.</p> <p>Minor additional costs from the introduction of one-way door policies (training, potentially hiring security).</p>	<p style="text-align: center;">++</p> <p>Potential for significant reductions in the number of annual victims of alcohol related harm, including violent crime. This is based both on evidence from previous changes, and on modelling conducted by the Ministry of Justice.</p>	<p style="text-align: center;">0</p> <p>No direct additional costs for government, other than costs to inform the industry of the changes.</p>

What option is likely to best address the problem, meet the policy objectives, and deliver the highest net benefits?

71. We consider that a combination of Options Two and Three are most likely to deliver on the issues identified with the status quo, being unnecessary or ineffective regulation that imposes disproportionate benefits on business and doesn't reduce harm. The initiatives in Option Two will provide regulatory relief for many businesses, while Option Three will deliver harm reduction.

Option Two removes or reduces disproportionate or ineffective regulatory requirements

72. Whilst the evidence for the effects of these changes is limited, they are mostly minor in scope. We do not consider they are likely to result in any significant change in the amount of alcohol related harm, while offering the following benefits:
- a. Potential reductions in cost and complexity for businesses involved in obtaining or renewing a licence while still allowing the local community to have a say.
 - b. Providing the hospitality and events sector with a clearer and simpler path to obtaining special licences for events. This should be particularly beneficial for events happening in multiple parts of the country (for example, music events).
 - c. Implementing a simpler process for declaring major televised events. This should save time and money for the Government and Parliament and provide more predictability for licensed premises.
 - d. Updating regulation to ensure there is clarity around the need for zero-alcohol beverages to be made available.

Option Three delivers harm reduction interventions

73. Option Three also includes a set of interventions that are likely to make an impact on the amount of alcohol-related harm in New Zealand. Evidence suggests reducing national default off-licence trading hours could have the following benefits:
- a. Ministry modelling suggests that bringing forward the off-licence closing hour to 9pm could see up to 2,400 fewer violent victimisations annually (1,200 fewer victimisations for each evening trading hour) by reducing high-risk consumers' access to alcohol and consumption during high-risk consumption periods.
 - b. In a 2022 survey, breath alcohol levels on Courtenay Place were significantly higher after midnight (when occurrences of serious violent offending are known to occur in the precinct). However, participants with the highest breath alcohol levels had consumed alcohol purchased at off-licences prior to entering Courtenay Place.
 - c. The option also supports consistency by setting clear national limits on trading hours, addressing concerns raised by the industry about differing standards across the country. Some variability is still possible (LAPs can set shorter trading hours) but this is necessary to support local decision making and engagement.
74. Similarly, reducing national default on-licence trading hours may have the following benefits:

- a. When New Zealand last reduced national default trading hours, there was a gradual and permanent decrease of 12.4% for late-night assaults between 4am and 6am in the ten years to 2015.⁵⁸ Weekend hospitalised assaults reduced by 11%.⁵⁹
 - b. Reducing late-night alcohol sales in New Zealand was associated with a reduction in weekend hospitalised assaults by 11%.⁶⁰ The Law Commission recommended reduced trading hours for retail premises, with one-way door restrictions for on-licences to mitigate the risks of disorder and crime at closing time.⁶¹
 - c. In 2014, a reduction of on-licence trading hours in some areas of Sydney, NSW, saw assaults fall by 38% in the following five years. However, incidents of assault increased in adjacent areas where restrictions were not applied.⁶²
 - d. Ministry modelling estimates that reducing on-licence trading hours in this way could result in between 3,000-6,000 fewer victims of alcohol related crime per year.
75. There is limited evidence for the effectiveness of one-way door policies. Research here and in Australia has shown trends in consumption, intoxication and violence. For example, restrictions on hotel trading hours in Newcastle, NSW (including a “one-way door” policy from 1am), provided strong evidence that the reduced availability of alcohol reduced the incidence of assault in the central business district, with no evidence that assault was being displaced elsewhere.⁶³
76. Adopting Option Three may dilute the benefits of Option Two. Requiring on-licences to close earlier may result in the loss of approximately 9%⁶⁴ of current trade. Similarly, shorter off-licence trading hours may cost some businesses up to 25% of current revenue. We consider that the net societal benefits of less harm and violent crime likely outweigh the losses to businesses.

⁵⁸ Huckle, T., K. Parker, S. Mavoia, S. Casswell (2020). “Reduction in Late-Night Violence following the Introduction of National New Zealand Trading Hour Restrictions.” *Alcohol: Clinical and Experimental Research*, 44(3), pp. 722–728. <https://doi.org/10.1111/acer.14285>.

⁵⁹ Connor, J., B. McLennan, T. Huckle, J. Romeo, G. Davie, K. Kypri (2020). “Changes in the incidence of assault after restrictions on late-night alcohol sales in New Zealand: evaluation of a natural experiment using hospitalization and police data.” *Addiction*, 116(4), pp. 788–798. <https://doi.org/10.1111/add.15206>.

⁶⁰ Connor, McLennan, Huckle, Romeo, Davie & Kypri (2020). “Changes in the incidence of assault after restrictions on late-night alcohol sales in New Zealand: evaluation of a natural experiment using hospitalization and police data.” *Addiction*.

⁶¹ New Zealand Law Commission (2010) *Alcohol in our lives*, pp. 183–192.

⁶² Kypri, K., M. Livingston (2020). “Incidence of assault in Sydney, Australia, throughout 5 years of alcohol trading hour restrictions: controlled before-and-after study.” *Addiction*, 115(11), pp. 2045–2054. <https://doi.org/10.1111/add.15025>.

⁶³ Jones, C., K. Kypri, S. Moffatt, C. Borzycki, B. Price (2009). “The impact of restricted alcohol availability on alcohol-related violence.” *Crime and Justice*, 137, pp. 1–24.

⁶⁴ Huckle and Parker (2019). *Alcohol purchasing behaviour of drinkers: National and local purchasing times*.

Is the Minister's preferred option in the Cabinet paper the same as the agency's preferred option in the RIS?

77. No – the Associate Minister of Justice prefers Option 2 – removing unnecessary regulatory barriers and achieving some potential reduction in harm and violent crime.

What are the marginal costs and benefits of the Minister's preferred option? (Option 2)

Affected groups (identify)	Comment <i>nature of cost or benefit (e.g. ongoing, one-off), evidence and assumption (e.g. compliance rates), risks.</i>	Impact <i>\$m present value where appropriate, for monetised impacts; high, medium or low for non-monetised impacts.</i>	Evidence Certainty <i>High, medium, or low, and explain reasoning in comment column.</i>
Additional costs of the preferred option compared to taking no action			
On-licence sellers of alcohol (bars, restaurants, wineries etc.)	No significant additional costs for businesses	Low – limited evidence available but most of the initiatives are expected to produce minor cost reductions.	Medium – we have not been able to consult with affected businesses but the scope of the changes is minor.
Off-licence sellers of alcohol (supermarkets, bottle stores, breweries, wineries etc.)	No significant additional costs for businesses	Low – limited evidence available but most of the initiatives are expected to produce minor cost reductions.	Medium – we have not been able to consult with affected businesses but the scope of the changes is minor.
District licensing committees	Costs to consult with other DLCs on special licence applications.	Low – relatively small number of applications to process.	Low – we have not been able to consult territorial authorities on the impacts of this proposal.
People/organisations required to apply for special licences	N/A – no additional costs.	N/A	N/A

Alcohol delivery services	Costs to comply with new regulatory requirements – potentially includes training delivery staff and system changes to ensure that the right checks can be made.	Low – we understand that most major delivery services (supermarket online shopping, Uber, DoorDash) already have some checks in place to comply with existing regulatory requirements so changes should be relatively minor. ⁶⁵	Medium – we have some information explaining some delivery services' policy and practice but we have not been able to consult affected parties nor assess how widely policies are implemented.
NZ Police	Costs to ensure compliance with new regulatory requirements around remote delivery	Medium – Police are a key enforcement agency and submitter on local alcohol decisions under the Act. Expanding the rules associated with the Act are likely to place costs on Police.	Low – we have not yet consulted Police on the scale of any additional costs.
Hairdressers/barbers	No additional costs for hairdressers/barbers	N/A	N/A
Non-monetised costs		Low – we expect that most of the interventions will have small additional costs.	Low/Medium – we have some evidence to support the conclusions, but we have not consulted on the proposals.
Additional benefits of the preferred option compared to taking no action			
On-licence sellers of alcohol (bars, restaurants, wineries etc.)	Potential benefit if the process of obtaining a licence is simplified.	Low – unlikely to shift overall costs of running a licensed premises.	Low – we have not been able to consult.
Off-licence sellers of alcohol (supermarkets, bottle stores, breweries, wineries etc.)	N/A – no additional benefits	N/A	N/A

⁶⁵ See table 2.

District licensing committees	Clearer process for dealing with special licence applications which may lead to a marginal reduction in costs. Smaller number of people able to object to licence applications.	Low – unlikely to relieve significant costs in the context of the overall DLC workload.	Low – we have not finalised the design of the new process and have not consulted with DLCs
People/organisations required to apply for special licences	Reduced costs and streamlined process to apply for special alcohol licences, especially for those applying for licences in multiple TA areas.	Medium – we understand that applying for multiple special licences can be a significant cost, especially for events that will occur in multiple locations.	Low – we have not finalised the design of the process or consulted with the industry.
Alcohol delivery services	Certainty on legal requirements.	Low – having clarity potentially reduces risk of being subject to enforcement action.	Low – we have little evidence to determine the scale of any benefits.
NZ Police	Reduced costs from needing to attend fewer events/incidents resulting from alcohol – enables a focus on other matters.	Low/Medium – noting this is a provisional assessment, pending further discussion with Police, our assumption is that costs are unlikely to be large in the context of overall Police resources/budgets.	Low – exact settings have not been clarified and we have not yet consulted NZ Police.
Hairdressers/barbers	Avoid the costs of obtaining an off-licence.	Medium – costs of obtaining an off-licence and complying with requirements could be considerable in the context of small business.	Low – magnitude of savings unclear.
Non-monetised benefits		Low – Option Two will deliver some savings but unlikely to be substantial in the context of overall costs.	Low

What are the marginal costs and benefits of the Ministry's preferred option (Combination of Options Two and Three)?

Affected groups <i>(identify)</i>	Comment <i>nature of cost or benefit (e.g. ongoing, one-off), evidence and assumption (e.g. compliance rates), risks.</i>	Impact <i>\$m present value where appropriate, for monetised impacts; high, medium or low for non-monetised impacts.</i>	Evidence Certainty <i>High, medium, or low, and explain reasoning in comment column.</i>
Additional costs of the preferred option compared to taking no action			
On-licence sellers of alcohol (bars, restaurants, wineries etc.)	Reduced income from shorter trading hours and one-way door policies.	Low – available research shows that 9% of on-licence customers purchase alcohol between 2-3am, 3% purchase alcohol between 3-4am. ⁶⁶	Low – we have not been able to consult potentially affected businesses.
Off-licence sellers of alcohol (supermarkets, bottle stores, breweries, wineries etc.)	Reduced income from shorter trading hours. Potential costs from needing to comply with new regulatory requirements on remote sale and delivery (if they offer that service directly).	Low – exact magnitude will differ depending on the type of business (impact likely to be lower for a supermarket given product range than for a bottle store that only sells alcohol). Available research shows that less than 20 percent of off-licence purchases are made between 8-11pm. ⁶⁷	Low – we have not been able to consult potentially affected businesses.
District licensing committees	Costs to consult with other DLCs on special licence applications.	Low – relatively small number of applications to process.	Low – we have not been able to consult territorial authorities on the impacts of this proposal.
People/organisations required to apply for special licences	N/A – no additional costs.	N/A	N/A
Alcohol delivery services	Costs to comply with	Low – we understand	Medium – we

⁶⁶ Huckle, T., and K. Parker (2019). *Alcohol purchasing behaviour of drinkers: National and local purchasing times*. Wellington: Health Promotion Agency.

⁶⁷ Ibid.

	<p>new regulatory requirements – potentially includes training delivery staff and system changes to ensure that the right checks can be made.</p>	<p>that most major delivery services (supermarket online shopping, Uber, DoorDash) already have some checks in place to comply with existing regulatory requirements so changes should be relatively minor.⁶⁸</p>	<p>have some information explaining some delivery services' policy and practice but we have not been able to consult affected parties nor assess how widely policies are implemented.</p>
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⁶⁸ See table 2.

Alcohol consumers	Reduced access to alcohol.	Low – the recommended options will marginally reduce the hours during which alcohol can be purchased but price is not expected to be affected.	Medium – the available data indicates that relatively few people purchase alcohol during the relevant time periods.
Wider community	Reduced access to alcohol.	Low – available data indicates that very few people purchase alcohol from on-licences in the hours proposed for restriction, and relatively few off-licence purchases are made between 8-11pm. ⁶⁹	Medium – there is sufficient data available on purchasing patterns to suggest that few people will be inconvenienced
NZ Police	Costs to ensure compliance with new regulatory requirements around remote delivery	Medium – Police are a key enforcement agency and submitter on local alcohol decisions under the Act. Expanding the rules associated with the Act are likely to place costs on Police.	Low – we have not yet consulted Police on the scale of any additional costs.
Courts/ARLA	No additional costs for Courts.	N/A	N/A
Hairdressers/barbers	No additional costs for hairdressers/barbers	N/A	N/A
Non-monetised costs		Low – we expect that most of the interventions will have small additional costs.	Low/Medium – we have some evidence to support the conclusions, but we have not consulted on the proposals.
Additional benefits of the preferred option compared to taking no action			

⁶⁹ Huckle, T., and K. Parker (2019). *Alcohol purchasing behaviour of drinkers: National and local purchasing times*. Wellington: Health Promotion Agency.

On-licence sellers of alcohol (bars, restaurants, wineries etc.)	Potential benefit if fewer crimes are happening either on the premises or near the premises (for example, perceived safety benefits in an entertainment area).	Low – unlikely to outweigh the costs of shorter trading hours.	Low
Off-licence sellers of alcohol (supermarkets, bottle stores, breweries, wineries etc.)	N/A – no additional benefits	N/A	N/A
District licensing committees	Clearer process for dealing with special licence applications which may lead to a marginal reduction in costs.	Low – unlikely to relieve significant costs in the context of the overall DLC workload.	Low – we have not finalised the design of the new process and have not consulted with DLCs
People/organisations required to apply for special licences	Reduced costs and streamlined process to apply for special alcohol licences, especially for those applying for licences in multiple TA areas.	Medium – we understand that applying for multiple special licences can be a significant cost, especially for events that will occur in multiple locations.	Low – we have not finalised the design of the process or consulted with the industry.
Alcohol delivery services	Certainty on legal requirements.	Low – having clarity potentially reduces risk of being subject to enforcement action.	Low – we have little evidence to determine the scale of any benefits.
Alcohol consumers	Potentially significant benefits from reduced criminal activity, fewer long-term illnesses.	Medium – evidence throughout this RIS suggests that alcohol is a significant driver of crime and illness. Some crossovers with wider community – many victims of alcohol related crime will also be	Medium – based on the results of modelling conducted by the Ministry of Justice.

		consumers.	
Wider community	Potentially significant benefits from reduced harms – fewer deaths, injuries, crimes and communicable diseases	Medium/High – modelling by the Ministry suggests that reducing on-licence trading hours could reduce victim numbers by between 3,000–6,000, with potential 37 percent reduction in assaults between 10pm-6am. Reducing off-licence hours could result in between 500 and 3000 fewer victims depending on the exact settings.	Medium – based on the results of modelling conducted by the Ministry of Justice.
NZ Police	Reduced costs from needing to attend fewer events/incidents resulting from alcohol – enables a focus on other matters.	Low/Medium – noting this is a provisional assessment, pending further discussion with Police, our assumption is that costs are unlikely to be large in the context of overall Police resources/budgets.	Low – exact settings have not been clarified and we have not yet consulted NZ Police.
Courts/ARLA	Reduced costs due to fewer court cases resulting from alcohol incidents – may support more timely action on other cases. No benefits for ARLA.	Low/Medium – exact savings depend on the magnitude of violent crime reduction.	Low – exact settings have not been clarified.
Hairdressers/barbers	Avoid the costs of obtaining an off-licence.	Medium – costs of obtaining an off-licence and complying with requirements could be considerable in the context of small business.	Low – magnitude of savings unclear.

Health system	Reducing alcohol-related harms will reduce pressure on the health system, particularly on emergency rooms during high-pressure times. Also reduce the occurrence of non-communicable diseases.	Low/Medium – exact benefits will depend on the settings chosen, but alcohol related harm can be a significant contributor to pressure on emergency rooms and to high-cost ongoing sickness issues.	Low – it will be difficult in many cases to draw a direct link between less harmful alcohol and reduced health problems making it hard to quantify system-wide savings.
Non-monetised benefits		Medium – any significant reductions in alcohol harm could have substantial benefits for the health system, policing, courts and the wider public in terms of less sickness and crime.	Low

Section 3: Delivering an option

How will the proposal be implemented?

78. Many options will require legislative amendments subject to Cabinet approval. For some options, implementation work can be completed in parallel, while other options may only be able to be progressed in earnest once primary legislation is enacted, particularly secondary legislation as council by-laws and LAPs.
79. The Ministry of Justice will support different stakeholders to implement or respond to any options. In some cases, stakeholders will be responsible themselves for implementing and responding to any options.
80. Implementation costs and responsibilities will vary depending on the options pursued.

Digital identification

81. DIA is undertaking work to establish a secure digital identification service and associated Framework. We will continue to work with DIA as necessary to determine how this will apply to online purchase and delivery of alcohol.

Central government agencies

82. The Ministry of Justice will issue communications and develop guidance for territorial authorities, Police, and Medical Officers of Health to advise them of the changes.

The courts and tribunals

83. The Ministry of Justice will advise ARLA and the relevant courts of the changes and work with them on implementation. There may be some impact on caseloads.

Local government

84. Territorial authorities will need to provide DLC chairs and members with training and guidance on the changes impacting their consideration of applications for special licences.
85. The Ministry of Justice will work with local government to ensure the risk-based framework for special licensing is workable, so that changes can be implemented effectively.

Businesses

86. Licensees and delivery services will need to update policies and terms to reflect new national standards and any changes to LAPs and conditions.
87. The Ministry of Justice will work with relevant government agencies to advise industry representatives of the changes to ensure the changes are implemented and to encourage compliance, particularly for the changes relating to remote sale and delivery of alcohol.

How will the proposal be monitored, evaluated, and reviewed?

88. The Ministry of Justice holds regulatory stewardship of the alcohol licensing system with the Ministry of Health. Options for formal evaluation and review have not yet been developed.
89. Data to monitor violent crime can be collected from the New Zealand Crimes and Victims Survey and Police. Data to monitor other impacts of options is less reliable. The government relies on non-governmental organisations who actively research and study alcohol-related harm. However, any changes to the regulatory settings are likely to be high profile within the alcohol research space.
90. Ongoing engagement with industry will help determine whether the proposals are having the desired impact of addressing known regulatory issues for businesses.
91. Some impacts are outside of the Ministry's area of regulatory responsibility and will have to be monitored by other agencies. In particular, health and social sector impacts are outside the scope of our regulatory responsibility and are areas on which the

Ministry does not collect data. These impacts will be primarily monitored, evaluated and reviewed by local government and national agencies including the Ministry of Health.

92. The Wai 2575 Health Services and Outcomes Inquiry is an ongoing Waitangi Tribunal inquiry into the Crown's response to health inequities experienced by Māori. This includes the impacts of alcohol on Māori and the Crown's responsibility for prevention and treatment. The implications of those inquiries will need to be monitored.