

Online sales and delivery of alcohol



Contents

Introduction	3
Making a submission	3
Privacy notice	3
Collection notice	3
Background	5
Purpose of this consultation	5
Context	
lssues	6
Retail Drinks Australia voluntary Code of Conduct	6
Proposed changes to address online alcohol	
Proposed changes to address online alcohol sales and delivery	7
sales and delivery	7
sales and delivery	7 7
Sales and delivery Who would the changes apply to? General overview	7 7 8
Sales and delivery Who would the changes apply to? General overview Changes for licensees and third-party providers	7 8 8
Sales and delivery Who would the changes apply to? General overview Changes for licensees and third-party providers Changes for delivery persons	7 8 8

Introduction

The Queensland Government invites community feedback on a new framework for online alcohol sales and delivery in Queensland.

This consultation paper outlines proposed measures to reflect modern business operations and address the risk of harm from online alcohol sales and delivery, particularly the potential supply of alcohol to minors and unduly intoxicated persons.

Community feedback will inform further policy development and recommendations on the new regulatory framework for alcohol sold online for delivery.

Making a submission

You can submit a formal response to this paper by email or post. Please ensure your response addresses the consultation questions provided at the end of this paper.

Email

onlinesales@justice.qld.gov.au

Post

Online Liquor Sales and Delivery Framework Office of Regulatory Policy Department of Justice and Attorney-General Locked Bag 180 CITY EAST QLD 4002

Privacy notice

The Department of Justice and Attorney-General is collecting your personal information as part of the consultation on developing a regulatory framework governing online alcohol sales and deliveries, which may result in amendments to the *Liquor Act 1992* and the *Wine Industry Act 1994*.

Your personal information may be disclosed to partner agencies and nongovernment entities such as consultants or contracted service providers to analyse, respond and report feedback during the consultation process. Your personal information may also be used for related research, reporting, policy or planning functions.

The Department of Justice and Attorney-General will not disclose your personal information unless otherwise authorised or required under a law. Your personal information will be managed in accordance with the provisions of the *Information Privacy Act 2009 (Qld)*.

Collection notice

The department may choose to publish submissions on the Department of Justice and Attorney-General website (www.justice.qld.gov.au), unless the

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Material provided in confidence should be clearly marked 'in confidence'. While the department will endeavour to identify and not publish material marked as confidential, submitters should note that submissions will be subject to the *Right to Information Act 2009 (Qld)* and any request for such documents will be assessed in accordance with that Act. Your personal information will be handled in accordance with the *Information Privacy Act 2009 (Qld)*.

Background

Purpose of this consultation

The Queensland Government is seeking the views of the community about the potential benefits, costs, risks, issues and general impacts associated with online alcohol sales and delivery in Queensland.

Context

Innovation in digital technologies over the last decade has enabled the development of business models globally that offer customers the convenience of ordering alcohol online for delivery on-demand, including the same day the order is placed. This trend has been supported by the development of the gig economy, where individuals working as independent contractors provide third-party on-demand delivery services, for food, alcohol, and other products.

Online alcohol retailers in Queensland typically fall within the following general categories: bottle shops, wine/spirits/beer clubs (including direct purchases from distilleries, breweries and wineries), specialised rapid delivery, wine ordered with a meal for delivery, and other retail businesses. Australia Post, couriers and third-party platforms are the most common delivery providers.

Same day delivery

Increasingly, the same day sale and delivery of alcohol in Queensland is being undertaken by third-party delivery providers through existing licensed premises. The process involves customers purchasing alcohol via the third-party provider's website or app. The third-party provider facilitates payment and arranges the collection of the ordered alcohol from a liquor licensed premises with whom the third-party has a contractual arrangement for the supply of alcohol. The alcohol is then delivered to the customer by a delivery person employed by or contracted to the third-party provider.

Non-same day delivery

For non-same day delivery, alcohol is generally ordered directly from a licensee who accepts payment and arranges delivery via a courier service. Some third-party delivery providers also give customers the option of scheduling an alcohol delivery on a future day. Non-same day deliveries can include larger or boutique orders for specialised wines and spirits.



Issues

Online alcohol sales and delivery procedures pose regulatory challenges because orders are placed remotely and involve minimal initial personal interaction between the customer and the licensee, third-party delivery provider or delivery person.

Traditional regulatory controls such as age verification and the visual assessment of patrons against Responsible Service of Alcohol (RSA) criteria are difficult to undertake at the point of sale in an online environment.

Between 2018–2020, the Foundation for Alcohol Research and Education undertook an analysis of nine of the largest online platforms for alcohol products. Results found that all nine relied on self-reporting processes for proof of age, including the customer entering their date of birth or ticking a box stating they were 18 years of age or older.¹

A lack of appropriate age verification at the point of delivery may also lead to increased access to alcohol by minors. Researchers led by the University of New South Wales conducted a survey of 1,158 Australian participants who had recently used an online alcohol delivery service. Results of the survey published in February 2023 found that almost one-third (31.9%) of participants aged 25 years or younger reported never having their identification verified when accepting a home delivery of alcohol.²

The ease of ordering alcohol online compared to having to attend in-person at a licensed premises may pose a potential risk to problem drinkers or already intoxicated persons. This is supported by the recent University of New South Wales research which shows that around one-in-five participants (20.1%) indicated they had used an alcohol delivery service to extend a home drinking session.³

Retail Drinks Australia voluntary Code of Conduct

Retail Drinks Australia (RDA) is a national body representing the interests of Australia's packaged alcohol retailers. In 2019, the RDA implemented the **Online Alcohol Sales & Delivery Code of Conduct** comprising voluntary minimum standards intended to mitigate the risk of harm arising from online alcohol sales and deliveries.

Foundation for Alcohol Research and Education (2021). Online & delivered alcohol during COVID-19, July 2021. FARE; July 2021. Available at https://fare.org.au/wp-content/uploads/Online-and-delivered-alcohol-during-COVID-19.pdf

² Colbert S., Wilkinson C., Thornton L., Feng X., Campaign A. and Richmond R. (2023). Cross-sectional survey of a convenience sample of Australians who use alcohol home delivery services. Drug and Alcohol Review https://onlinelibrary.wiley.com/doi/full/10.1111/dar.13627

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Proposed changes to address online alcohol sales and delivery

Your views are sought on the proposed changes outlined below. Please note this is an **initial proposal only**. The feedback received on this paper will be essential to the further development of a proposed final framework.

Who would the changes apply to?

- Businesses licensed to sell takeaway alcohol in Queensland
- Third-party providers, including online businesses and mobile apps, which enable the online sale and delivery of alcohol
- Individuals that deliver alcohol on behalf of a licensed business or third-party provider
- Individuals that purchase alcohol online or receive personal alcohol deliveries.

General overview

- It will be unlawful to deliver alcohol to minors or unduly intoxicated persons
- It will be unlawful to deliver alcohol to public places and alcohol restricted areas
- Same day delivery of alcohol may only occur between 10am and 11pm and may not be left unattended at the premises (i.e., a person must be present at the premises to receive the order)
- Non-same day delivery of alcohol may only be left unattended at the premises if a secure delivery location is identified via instructions from the purchaser
- Licensees and third-party delivery providers must ensure the online sale and delivery of alcohol only occurs in accordance with the authority and conditions of the relevant licence
- Specific harm-minimisation measures must ensure alcohol is not sold online to minors or persons that have self-excluded from alcohol delivery services
- Specific training requirements, obligations and safeguards are required for individuals engaged to deliver alcohol
- Appropriate records for the online sale and delivery of alcohol must be kept.



Changes for licensees and third-party providers

Under the proposed changes, licensees and third-party providers selling alcohol online for delivery must:

- not sell alcohol to minors online
- use an effective age verification system at the point of sale
- provide delivery persons with relevant risk-based policies for deliveries (e.g., relating to unattended deliveries)
- provide delivery persons with relevant delivery instructions to complete an order (e.g., instructions for secure delivery locations or contact details of the delivery recipient)
- provide systems and a pathway to enable a person to self-exclude from online sales and/or delivery services
- not violate the terms of a self-exclusion agreement
- require employees and contractors employed for same day delivery to be appropriately trained in the RSA
- not financially penalise delivery persons who refuse to complete an alcohol delivery based on RSA grounds (e.g., deliveries relating to minors, unduly intoxicated persons, unattended same day deliveries, instructions contrary to RSA)
- keep appropriate records about online alcohol sales.

Changes for delivery persons

Under the proposed changes, individuals engaged to deliver alcohol must:

- be 18 years or older
- not deliver alcohol to public places or alcohol restricted areas
- not leave same day deliveries unattended
- ensure non-same day deliveries are left unattended only if a secure delivery location is identified via instructions by the purchaser
- comply with the provider's risk-based policies, particularly for unattended deliveries
- complete deliveries in accordance with instructions from the licensee/purchaser
- have completed appropriate RSA training prior to engaging in the same day delivery of alcohol
- not be financially penalised for refusing delivery on grounds contrary to RSA
- keep a record of all refused or incomplete deliveries (e.g., deliveries refused on grounds contrary to RSA).

Consultation questions

General questions

To assist with the development of a proposed final framework, can you please provide responses to the following:

- Q1 Can you please detail the good and bad aspects about online alcohol sale or delivery you have experienced as a consumer and/or any experiences you may have had as a delivery person?
- Q2 What should be done to prevent the online sale and delivery of alcohol to minors and unduly intoxicated persons?
- Q3 Do you believe 11pm is a suitable same day delivery cut-off time and why/why not?
- Q4 Which proposed changes do you support and why?
- Q5 Which proposed changes do you not support and why?
- Q6 Do you believe there are any additional changes or harm-minimisation measures required?
- Q7 Do you have any other comments on the proposed changes?



Specific information sought

If relevant to your interest, please respond to the more specific questions below.

Allowable payment methods

It is noted that payment methods have evolved from traditional currency, such as cash or Electronic Funds Transfer at Point of Sale (EFTPOS), to other alternative payment methods which do not necessarily occur via a bank or recognised financial institution (e.g., cryptocurrency). Buy Now Pay Later schemes have been identified as particularly relevant to online purchases and require consideration as to their suitability for online alcohol sales.

Q8 Are there any alternative payment methods which should be banned for online alcohol purchases, or be subject to government approval prior to use? If so, please provide details.

Online marketing tactics

The Australian Consumer Law may also be relevant for businesses who drive purchasing by utilising certain practices to manipulate or influence consumers to spend more money than initially intended or provide personal data that's not needed. Examples include hidden or extra costs that only become apparent towards the end of a purchase, or 'scarcity cues' such as countdown timers for shopping carts, or notifications about discount prices and low stock.

Q9 Do you have any comments regarding the use or potential restriction of tactics utilised by businesses in online marketing to influence consumer purchases?

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Submissions are required by 5pm on Friday 23 June 2023

(6 week consultation period)



