

Gauteng Liquor Forum rejects MEC's statements

The Gauteng Liquor Forum (GLF), which is made up of associations of mostly shebeens and taverners, has expressed grave concern about key aspects of the recent announcements made by the Gauteng Economic Affairs MEC Qedani Mahlangu on the regulation of the liquor trade in the province.

The Gauteng Liquor Forum's spokesperson Linda Madida said: "While we respect the aims of the Gauteng government in its attempt to combat the abuse of alcohol and irresponsible trading, we are concerned about the impact of the regulations announced by Mahlangu if left unchallenged, as well as several statements made by the MEC which are factually incorrect."

Amendments will lead to delays

The MEC announced that shebeen permits which are due to expire at the end of June this year would not be renewed, which will result in tens of thousands of small business closing down, because of discriminatory town planning schemes. She also said that existing licenses would no longer be automatically renewed. License holders would be required to apply to the Gauteng Liquor Board. The GLF has expressed concern that these proposed amendments would lead to a significant increase in bureaucratic delays in the processing of licenses, to the detriment of small traders in particular. Madida also said that on the issue of shebeen permits the GLF is prepared to take the matter to the street to protest against these draconian pieces of legislation.

"In spite of the Department having cleared 80% of the backlog, the licensing regime remains dysfunctional, with no real inroads having been made into the implementation of effective systems to deal the new backlog license application created by the six months moratorium put in place by the Gauteng Liquor Board.

Government is losing income

"This current dysfunctional state is very damaging to the industry. Liquor outlets want to run their businesses in accordance with the law, without being harassed and victimised by the police and other authorities. The traders are being prejudiced by the disarray in licensing, with many taverners waiting for years and years to obtain licenses because of the inability to obtain consent from local authorities. In addition, the situation is not in the interest of government as it is hindered in the amount of revenue it can collect by taxing legitimate businesses. It's a lose-lose situation which is not in the interest of the province."

Madida said that the GLF was committed to working through their respective member associations to ensure that all their members trade responsibly. "Liquor traders also play an important role in the township economies, especially within the framework of township tourism. We are concerned that the MEC and the Department is only focused on clamping down on traders and do not seem to be promoting the development of sustainable businesses in a sector that meets the legitimate

need of consumers."

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