

1 April 2016

The Hon. Ian Callinan AC
Liquor Law Review
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Dear Mr Callinan

Liquor Law Review Submission

I write to make a submission to your independent review of liquor restrictions.

The 1.30 am lockout and 3.00 am cessation of service and associated laws have been in place in the CBD Entertainment, Oxford Street Precinct and the Kings Cross Precinct for over two years; these precincts are in my electorate and I have heard from a large number of constituents, business operators and visitors to the precinct about the restrictions.

Prior to the laws, Kings Cross and the CBD were magnets for violence and anti-social behaviour. Police and emergency services reported violence that regularly resulted in serious injury and arrests every weekend. The streets were congested with patrons at major event levels and this, together with intoxication, created serious impacts for the adjacent communities as well as those visiting.

I welcome reports that the package of changes is resulting in continuing drops in hospitalisations, assaults, violence and anti-social behaviour on Friday and Saturday nights; however there are also reports that Sydney's nightlife is suffering.

We must find a way to retain the public safety benefits while addressing unwanted impacts on the late night economy.

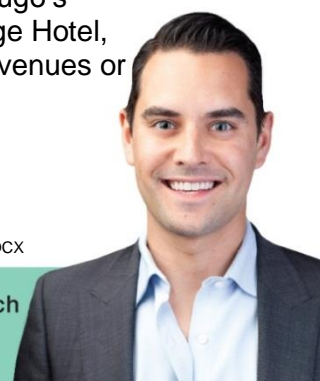
The review is an opportunity to identify which aspects of the laws are producing benefits and which are only creating unintended consequences so that the laws can be improved.

Impacts on Late Night Economy

Sydney is a global city and it must provide a thriving, civilised and safe nightlife that promotes diverse local music, performance, art and culture scenes.

When the laws were introduced in Parliament in 2014, the then Premier, and in supporting the bill, the then Opposition Leader, did not indicate any intention for restrictions to harm the late night economy. Their stated intention was to curb violence while retaining safe and vibrant night time scenes.

Since the 2014 laws, many venues have closed including Jimmy Licks, the Flinders, Hugo's Lounge, Soho Nightclub, the Backroom, the Goldfish bar, FBI Social and the Exchange Hotel, which held six venues including Spectrum and Q Bar. Many of these were live music venues or provided entertainment.



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Owners of existing venues say patron numbers are so low that they have retrenched staff and reduced or cancelled live entertainment. Smaller venues say that many patrons now only go to larger venues that are open later in order to avoid being 'locked out'. Patrons report empty venues with no options to go elsewhere after 1.30am.

Many residents and visitors who have contacted me say Sydney's nightlife is suffering and that Sydney has become a national and international laughing stock.

This is not the desired outcome and must be addressed. Sydney's night time cultural diversity is important to ensuring Sydney remains an attractive place to live and visit.

1.30 am Lockout

In the precincts subject to the 1.30 am lockout, venues are also subject to a 3.00 am cessation of service, the liquor freeze, banning orders, ID scanners in Kings Cross, the Three Strikes policy, RSA marshal requirements, risk based licensing and drink limits.

Introduction of the changes has coincided with a significant reduction in the number of visitors to the precincts late at night. City of Sydney surveys report drops in foot traffic in Kings Cross by as much as 84 per cent.

It will be difficult to pinpoint what restrictions are helping reduce violence and what restrictions are harming the late night economy.

Notwithstanding, there is a lack of conclusive evidence to support the effectiveness of across-the-board lockouts in curbing violence. In contrast, trading hour reductions consistently demonstrate strong decreases in alcohol-related assaults and anti-social behaviour.

Patrons and venue operators report to me that the 1.30 am lockout is the restriction that is causing the most damage to Sydney's nightlife and impacting on business viability and night time diversity.

Venues that promote a rich social fabric for our city, that don't contribute to violence and anti-social behaviour, and that help civilise our night culture must remain viable.

There is a strong case for lifting the 1.30 am lockout for venues that do not contribute to violence and anti-social behaviour, provide alternatives to binge drinking, diversify the night scene and that have a good management record.

People watching live music and shows consume less alcohol: when a live act is on, people engage with the show rather than drink or line up for a drink. People also drink less in smaller venues, and venue management is much more able to observe, monitor and prevent patron intoxication or aggression. I share community concern that the current blanket lockout provisions do not provide incentives for a diverse night scene, smaller venues or those that provide live entertainment.

Well managed venues, live performance venues and small bars of 120 patrons or less should not be subject to the lockout.

The 1.30 am lockout should instead be used as a targeted penalty for poorly managed venues and venues with a history of violence.

3.00 am Cessation of Service

There is consistent evidence that 24-hour liquor sales, particularly when a large number of venues are concentrated in small areas, increase violence in the public domain late at night. Prior to the lockout laws, 24-hour trading was widespread in the CBD and Kings Cross. While the majority of patrons were out to have fun, the availability of all night liquor attracted people looking for a fight and the patron congestion in specific areas on the street encouraged conflict.

I do not support 24-hour trading and most venues and patrons tell me that they believe Sydney could have a vibrant and diverse late night culture if the lockout was lifted but the 3.00 am cessation of service rule continued to apply.

I support a legislated time that venues must cease liquor service.

Process for Exemptions

Sydney hosts a number of international events during which large numbers of visitors come to the city seeking a night out. Visitors who do not know the city well may have trouble getting to venues in time or may want to experience a number of venues that the city has to offer. Sometimes an event includes late night parties as a major part of its focus.

Normal trading restrictions may not be appropriate during certain major events like New Year's Eve, Mardi Gras and the Olympics. The licensing system should provide a process for event organisers to apply for the lifting of certain restrictions, such as lockouts and/or cessation of service times, where it is important for the success of an event and where it is unlikely to result in violence.

Saturation Zones to replace the Liquor Freeze

Data from the Bureau of Crime Statistics and Research consistently shows a link between incidents of assault in areas with high liquor outlet densities.

The liquor freeze was useful in halting what was significant growth in licensed premises in late night hotspots, but now that the lockout laws have coincided with the closure of many premises, there is a need for a new approach.

If Sydney is to have a vibrant night life, with changes to the existing lockout restrictions, we need measures to prevent the saturation of licensed premises in areas in order to prevent violence and anti-social behaviour hotspots re-emerging. This will require establishment of a definition for an area being at saturation and unable to accommodate new premises. The definition could take into account different types of venues noting that an area might be able to accommodate a different number of live music venues and small bars than large hotels and nightclubs.

It is unclear whether the Environment and Venue Assessment Tool can help manage liquor outlet density as it was introduced during the freeze. Its aims reflect what is needed to prevent the future emergence of late night hot spots and its effectiveness must be assessed along with other proposals and models to manage liquor outlet density. I understand that the UK model of saturation zones may be useful for this type of assessment.

Renewable Licences

As reported by police and emergency service workers, the late night service of alcohol can create risks for violence and anti-social behaviour; it is essential that there are incentives for licensed premises to practice good management and responsible service of alcohol.

I support the City of Sydney proposal for liquor licences that allow service after midnight to be issued on a renewable basis so that licensees must reapply for the right to trade after midnight. This would encourage good management.

Exemptions should apply for live music and performance venues and small bars of 120 patrons or less as these venues help diversify the late night economy and reduce the focus on binge drinking.

Transport

A significant problem prior to the 2014 laws was the lack of transport available to patrons leaving venues in the early hours of the morning. As a result, crowds of frustrated people unable to get

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home would roam inner city streets, particularly in Kings Cross, looking for a taxi – which was hard to find – or waiting for train or bus services to resume hours later.

Intoxication made people particularly vulnerable to street violence and the competition for taxis created conflict. The sheer number of people created noise impacts for residents. City of Sydney surveys showed many thousands of people in the public domain in specific locations at these times and demonstrate the need to treat the CBD and inner city as the equivalent of a major event on Friday and Saturday nights. Night buses and local linking bus services that are not part of the mainstream transport system have failed to provide adequate transport.

It is absolutely essential that the public transport network operate while licensed premises operate so that people can safely leave an area and can get home.

Exclusion of the Casino

Exemption of the casino, which is adjacent to the CBD entertainment precinct, remains a sticking point for the public, and is perceived as special treatment.

Pymont residents report more late night revellers on the street from the casino and increases in assaults, anti-social behaviour and noise in the precinct. Local police community meetings have heard that casino security staffers turn away a large number of intoxicated people who are seeking entrance late at night because they know the casino is exempt, leaving them in the public domain.

Exempting the casino encourages people who have been drinking to visit where they will be exposed to gambling and could lose money or develop a problem. This is unacceptable.

The review must assess the fairness, appropriateness and impact of this exemption with the view to preventing problem gambling and creating fair competition with venues that create fewer risks such as live music venues and small bars of 120 patrons or less.

In Summary

The vast majority of people don't cause problems when they go out at night; they are out to enjoy themselves, socialise, watch a show, dance to music, try new food, and belong to a scene, and they must be able to do this, however measures are needed to ensure that night trading is safe.

We must get the balance right to ensure that Sydney's late night economy is safe, civilised, diverse and vibrant.

Yours sincerely



Alex Greenwich
Member for Sydney