

NSW Police Force

Submission to the independent review of the impact of the liquor law reforms New South Wales (NSW).

On 30 January 2014, the NSW Parliament passed the *Liquor Amendment Act 2014* which implemented a package of new reforms to tackle alcohol-related violence. The reforms included the imposition of 1.30am lock out and 3am cessation of liquor sales requirements on venues in the Sydney CBD Entertainment and Kings Cross Precincts. These requirements took effect on 24 February 2014.

The *Liquor Act 2007* requires the Minister to appoint an independent person to review amendments made to the *Liquor Regulation 2008* by *Liquor Amendment Act 2014*. The review is to determine whether the policy objectives of those amendments remain valid and whether the terms of the amendments remain appropriate for securing those objectives.

The Deputy Premier, the Hon. Troy Grant MP, has appointed the Hon IDF Callinan AC to conduct the review.

Terms of Reference

1. The review will assess the impacts of the 1.30am lock out and 3am cessation of liquor sales requirements on:
 - a. alcohol-related violence and anti-social behaviour in the Sydney CBD Entertainment Precinct, Kings Cross Precinct, potential displacement areas, and the broader community;
 - b. safety and general amenity in the Sydney CBD Entertainment Precinct, Kings Cross Precinct, and potential displacement areas;
 - c. government, industry and community stakeholders, including business, financial and social impacts, and the impacts on patrons and residents (including whether venues continue to trade after 3am when alcohol service ceases).
2. The review will consider the positive and negative impacts of the 10pm takeaway liquor restriction across NSW, with particular regard to be had to the needs of rural and remote communities, and the social and economic impacts of the restriction on those communities.
3. The review will consider the impact of the periodic licensing system on business viability and vibrancy.

This submission addresses these terms of reference of the NSW Independent Review of the Impact of Liquor Law Reforms. Based on the evidence presented in this submission, NSW Police Force recommends the following:

- Maintain the 3am cease of alcohol sales and 1:30am lock out in the Sydney CBD Entertainment and Kings Cross precincts.
- Maintain the 10pm takeaway liquor sales restriction at all NSW venues.
- Maintain the periodic licence fee scheme.

1.30am lock out and 3am cease alcohol sales measures

NSW Police Force supports the 1:30am lock out in the Sydney CBD Entertainment and Kings Cross Precincts as well as the 3am cessation of alcohol sales measures.

Alcohol-related violence and anti-social behaviour

There is a strong body of research identifying the link between the availability of alcohol and harm, particularly anti-social and violent behaviour. More generally, strategies that restrict the availability of alcohol have undergone a number of evaluations and have been found to be effective in mitigating and / or reducing the harms associated with its consumption. Evidence confirms that some of most effective supply reduction strategies include reducing alcohol outlet opening hours, reducing alcohol outlet density and controlling alcohol sales times.¹

Preliminary insights into the effectiveness of 1.30am lock out and 3am cease alcohol sales measures are afforded by the NSW Bureau of Crime Statistics and Research's (BOCSAR) examination of the impact (on assaults) of the January 2014 liquor licence reforms in NSW, as contained in the *Liquor Amendment Act 2014*. BOCSAR make it clear that their assessment does not examine the impact of each of the separate reforms. Rather, their assessment focuses solely on the apparent joint impact of the initiatives combined.

Overall, BOCSAR concludes that the reforms were associated with immediate and substantial reductions in assault in Kings Cross (down 32 percent) and less immediate but substantial and perhaps ongoing reductions in the Sydney CBD (down 26 percent). A smaller but still significant reduction in assault occurred across the rest of NSW (9 percent).²

Comparable results can be seen in NSW Health data trends. A recent study reveals that in the 12 months following the introduction of the 2014 liquor reforms, there was a reduction of 24.8 percent in the number of alcohol-related serious injury and trauma presentations to the emergency department of a major hospital in the Sydney CBD entertainment precinct.³

¹ Miller, P., Curtis, A., Chikritzhs, T., Toumbourou, J. (2015). Intervention for reducing alcohol supply, alcohol demand and alcohol-related harm. NDLERF. Monograph Series No. 57.

² Menendez, P., Weatherburn, D., Kypri, K., Fitzgerald, J. (2015). Lockouts and last drinks: The impact of the January 2014 liquor licence reforms on assaults in NSW, Australia. NSW. Bureau of Crime Statistics and Research, Crime and Justice Bulletin, Number 183.

³ Fulde, G., Smith, M., Forster, L. (2015). Presentations with alcohol-related serious injury to a major Sydney trauma hospital after 2014 changes to liquor laws. MJA (9). 366.

With regard to the potential displacement of assaults to areas adjacent to or within close proximity to the precincts, there was some evidence that assaults increased in and around The Star casino in Pyrmont and Newtown. However the effects are not significant and the reduction in assault elsewhere was much larger than this increase.⁴

Subject to review, BOCSAR have published preliminary findings that investigate this issue further. Areas immediately proximal to the Sydney CBD and Kings Cross Precincts, including parts of Pyrmont, Ultimo, Chippendale, Haymarket, Surry Hills, Elizabeth Bay, Rushcutters Bay and Darlinghurst have experienced stable non-domestic assault figures since January 2014. Additionally, distal displacement areas – including Bondi Beach, Coogee, Double Bay and Newtown - have also experienced stable rates of non-domestic assault since January 2014.⁵

Sydney City and Kings Cross Local Area Command (LAC) have identified that the significant decrease in alcohol-related anti-social and violent behaviour has had a positive impact. Kings Cross and Sydney City LAC now have the capacity to redeploy officers into proactive duties. For example, Kings Cross LAC now has an eight unit drug team.

Safety and general amenity

In 2010, research conducted by the City of Sydney Council offered insights into pedestrian and street activity across the city. Kings Cross had the most number of pedestrian hot spots in the top 10 with peak pedestrian flows of around 5,900 person per hour occurring between midnight and 2am at various times of the year. Subsequently, Kings Cross had the greatest and most serious number of anti-social incidents, usually peaking around 1-2am.⁶

Prior to the reforms, the number of people visiting the Kings Cross precinct was similar to a major public event without the supporting infrastructure, planning and resources. For example footpaths on the main stretch of the precinct were not wide enough to accommodate the congestion generated by large numbers of people queuing, smoking and migrating between venues and non-existent traffic management plans failed to transport patrons from the area. General amenities such as public toilets were scarce and poorly signposted and City of Sydney CCTV was not monitored and lacked the quality necessary to identify potential anti-social behaviour.

Unacceptable levels of alcohol-related harm including alcohol-related violence and anti-social behaviour in Kings Cross mirrored rising concerns in the community regarding

⁴ Menendez, P., Weatherburn, D., Kypri, K., Fitzgerald, J. (2015). Lockouts and last drinks: The impact of the January 2014 liquor licence reforms on assaults in NSW, Australia. NSW. Bureau of Crime Statistics and Research, Crime and Justice Bulletin, Number 183.

⁵ NSW Bureau of Crime Statistics and Research, *Lockouts and Last Drinks Forthcoming Findings*. February 2016. Available at: http://www.bocsar.nsw.gov.au/Pages/bocsar_news/Lockouts-Forthcoming-Research.aspx

⁶ Parsons Brinckerhoff (2011) *Late Night Management Areas Research Project*. October 2011. City of Sydney.

reduced public amenity and personal safety. The implementation of locally developed measures had failed to adequately address the problem.

The introduction of the Kings Cross Plan of Management coupled with the *Liquor Amendment Act 2014* is the most effective tool currently available to government to reduce the impact of alcohol-related harm in the Kings Cross precinct. The reforms have introduced planning and infrastructure to support a safer and more enjoyable precinct for residents and visitors of all demographics. The lock outs have been effective in managing patron migration between venues and maintaining patron numbers at a level which can be comfortably supported by the precinct infrastructure and resources. The 3am cessation of service has reduced the high risk window for alcohol-related violence and anti-social behaviour on licensed premises and in public spaces.

It is important to acknowledge that none of these measures can work in isolation and nor will they be effective without a sustained commitment to reducing intoxication within the Precinct.

Business closures

Police are aware of the significant attention focused on businesses which are purported to have closed as a direct result of the lock out and 3am cessation of service. However, further investigation into the matter has revealed a myriad of reasons beyond the implementation of the reforms. Some businesses have simply rebranded and/or changed their business model, while others have closed for renovation or were already trading at a loss prior to the reforms. Reports have also included business closures of a number of unlicensed small businesses such as newsagencies as well as trading names used for event promotions within licensed premises. Finally, a number of other premises have closed because of adverse findings by the Office of Gaming and Racing or because of enforcement activity unrelated to the reforms.

Lock out boundaries

Sydney City LAC has identified concerns with the precinct boundaries which divide Darling Harbour in half. Businesses located on the western side regularly advertise their exclusion from the Precinct in the promotion of their venues. Sydney City LAC has been experiencing difficulties with the management of patrons from the eastern to western side of the area. Promotions incentivising the absence of restrictions together with the ease of access to the Star Casino at Pyrmont attracts a large volume of intoxicated patrons and increases the risk of alcohol-related anti-social and violent behaviour.

10pm Take-away Liquor Sales Restriction

NSW Police support the retention of state-wide 10pm restriction on take-away liquor sales.

Emerging evidence suggests that off-licensed premises may play a more critical role than previously thought in contributing to domestic violence, assault and underage drinking. Research has demonstrated that one of the most effective supply reduction strategies for mitigating and / or reducing the harms associated with the consumption of alcohol is reducing trading hours for packaged liquor.⁷ For example, in 2005 the Norseman Aboriginal community in Western Australia negotiated with local licensees to voluntarily restrict the sale of packaged liquor to the general public. In the 12 months following the restrictions, an evaluation found a 10.3 percent reduction in total police attendance, a 17.5 percent reduction in assaults, a 15.3 percent decrease in domestic violence incidents and a 60.5 percent decrease in the number of alcohol-related hospital admissions.

As previously identified in BOCSAR's first evaluation of the impact of the reforms, the 10pm closures have been associated with a smaller but still significant reduction in non-domestic-related assaults across NSW (9 percent decrease).⁸ Furthermore, BOCSAR's NSW Crime Tool depicts alcohol-related domestic assaults in NSW also decreasing by 8 percent from October 2013 to September 2015.⁹

Western Region Crime Managers have advised that the restrictions on take-away sales have assisted in the reduction of alcohol-related violence and anti-social behaviour. For example, in Broken Hill over the Christmas and New Year period, officers observed patrons exiting the town centre earlier than previous years and a noticeable downturn in reactive crime. BOCSAR's NSW Crime Tool supports these views with alcohol-related non-domestic assault significantly decreasing in Broken Hill Local Government Area by 47.1 percent from October 2013 to September 2015.¹⁰

Periodic Licence Fee System

NSW Police Force supports the periodic liquor licence fee scheme in that it ensures a strong regulatory and compliance system. The approach acknowledges that certain types of licensed venues and business operations may pose a greater risk of alcohol-related harm and are more costly to regulate. For this reason, the scheme ensures licensees make a fair and reasonable contribution to the cost of regulating the liquor industry. By using a risk based approach, the scheme promotes the adoption of low risk business models and compliance with liquor laws.¹¹ A scheme of periodic review further promotes incentives for venues to actively reduce alcohol-related harm and rewards business operators for good behaviour.

⁷ Miller, P., Curtis, A., Chikritzhs, T., Toumbourou, J. (2015). Intervention for reducing alcohol supply, alcohol demand and alcohol-related harm. NDLERF. Monograph Series No. 57.

⁸ Menendez, P., Weatherburn, D., Kypri, K., Fitzgerald, J. (2015). Lockouts and last drinks: The impact of the January 2014 liquor licence reforms on assaults in NSW, Australia. NSW. Bureau of Crime Statistics and Research, Crime and Justice Bulletin, Number 183.

⁹ NSW Crime Tool. NSW Bureau of Crime Statistics and Research. Retrieved from: <http://crimetool.bocsar.nsw.gov.au/bocsar/> 1 April 2016

¹⁰ Ibid.

¹¹ NSW Department of Justice. (2016). *Liquor law review background paper*. Retrieved from: <http://www.justice.nsw.gov.au/justicepolicy/Documents/background-paper-stat-review-lockouts-last-drinks-1.pdf>

In summary, the package of new reforms under the *Liquor Amendment Act 2014* have demonstrated significant benefits to law enforcement, emergency services and the community. The reforms have proved effective in reducing alcohol-related violence and anti-social behaviour while supporting a safer and more enjoyable precinct for residents and visitors of all demographics.