



17 March 2016

Liquor Law Review Team  
GPO Box 7060  
Sydney NSW 2001

Dear Sir/Madam,

Thank you for the opportunity to provide a submission to the NSW liquor law review. I would like to express my strong support for the NSW government's measures designed to address alcohol-related violence and anti-social behaviour, particularly in the problem areas of Kings Cross, Oxford Street and parts of the CBD. This is an issue I have been following closely and campaigning on for many years. I am passionate about seeing Sydney develop a fun, safe and sustainable nightlife. I will address key elements of the terms of reference and the background briefing paper, providing evidence to substantiate my claims where possible.

### **Safety and amenity**

I have been a regular patron of inner-city Sydney venues since the late 1990's. Over the years I began to notice a substantial increase in violence and anti-social behaviour and a deterioration in the amenity of the areas now referred to as Sydney's 'entertainment precincts'. This corresponded with the liberalisation of licensing laws and the accompanying proliferation of extended and 24-hour trading licensed venues, all concentrated into relatively small areas. I felt that my freedom to enjoy a night out in a civilised environment had become compromised. It reached the point where on a night out in Sydney it was common to see thousands of young drunk people all over the streets, girls vomiting in gutters, guys going to the toilet in public, fights and aggression, and rubbish everywhere. It was clearly an environment that also attracted troublemakers. Research commissioned by the City of Sydney in 2010 recorded 'large late night crowds and high levels of anti-social behaviour... in Kings Cross, Oxford Street, CBD south and the Rocks'. More than 80 incidents of serious anti-social behaviour were recorded between 1-2am on a Friday night in one location in Kings Cross<sup>1</sup>. This is evidence that the problems went beyond the two highly publicised, tragic and regrettable deaths in Kings Cross.

Following the introduction of the NSW government's measures, I have noticed a significantly positive change in the late-night character of these areas. There has been a definite calming and civilising effect, with an obvious reduction in negative alcohol-related impacts. This is backed by reports from BOCSAR NSW<sup>2</sup> and St Vincent's Hospital<sup>3</sup>. While there are still large numbers of people visiting these areas after dark, particularly Oxford Street and the CBD, the level of intoxication appears to have declined substantially.

## Effectiveness of reduced alcohol hours

I believe it is critical that the 3am cessation of alcohol service remains in place. There is overwhelming evidence that points to the reduction in violence and anti-social behaviour that can be achieved through a small reduction in trading hours<sup>4</sup>. Studies have found that for each additional hour of trading for licensed premises, assaults increase by around 16 per cent<sup>5</sup>. Experts have also backed the government's approach of allowing venues to remain trading after 3am if they so choose, but without the service of alcohol. Professor Kypros Kypri from Newcastle University recently stated that a 2 or 3am alcohol cessation expanded across NSW would be likely to result in thousands fewer assaults per year.

Griffith University professor Janet Ransley weighed up the various approaches aimed at minimising alcohol-fueled violence and found that 'restricting the sale and consumption of alcohol (through measures such as reduced operating hours, alcohol strength and venue density restrictions), rather than education or deterrence, is strongly supported by the evidence'<sup>6</sup>. I note that even the Kings Cross Liquor Accord recently stated that it now supports the 3am alcohol cessation<sup>7</sup>. An effective approach may be to reduce alcohol service hours to 3 or 4am across NSW, and 2am or 3am in the designated problem precincts, while possibly extending the non-service period to 6am. The benefits that could be derived in terms of community health and safety are clear.

## Business and economic impacts

There have been a number of claims made in relation to the impacts of the measures on business and 'vibrancy'. Yet numerous international cities restrict alcohol trading hours and still maintain vibrant nighttime economies<sup>8</sup>. An often overlooked fact is that *prior* to the introduction of the measures a number of prominent restaurants closed on Oxford Street, with the operators citing the proliferation of nearby nightclubs and the associated violence and public amenity issues as key reasons for the business failures<sup>9 10</sup>. A monoculture developed in Sydney's drinking trouble spots, consisting of large numbers of late-trading licensed venues, takeaway food outlets and convenience stores. Before the introduction of the liquor law reforms, there was a constant flow of development applications to the City of Sydney Council for new licensed premises, and venue expansions and trading hour extensions for existing premises.

In relation to the claims of reduced foot traffic, Professor Peter Miller from Deakin University has argued that the report the numbers are derived from is seriously flawed<sup>11</sup>. While it is likely that there are now smaller numbers than the previously estimated 20,000 people passing through Kings Cross on a Saturday night, there are numerous contributing factors that should be considered. In addition to the liquor reforms, Kings Cross was the only precinct subject to the imposition of ID scanners. The area has also been going through a process of gentrification, with high demand for residential real estate. A number of the licensed venues and associated businesses that have ceased operating have been part of hotels and other establishments that are being redeveloped as residential apartments<sup>12</sup>. Claims that assaults have only reduced due to lower patronage levels ignores the widespread evidence on the effectiveness of reduced trading hours and the fact that, according to BOCSAR, the violence has not been displaced<sup>13 14</sup>.

It is worth noting that there have been very few business closures in the other designated precincts. For example, on the stretch of Oxford Street between Taylor Square and College Street there are approximately 18 high-impact late-trading licensed venues. In the two years following the introduction of the measures, one venue has downsized but arguably none have closed. The Exchange Hotel (one licensed premises which encompassed a range of separately branded nightclubs such as Phoenix and Spectrum) reduced in size to become a single low-impact small bar and restaurant. NSW Premier Mike Baird noted that the number of small bars in the CBD has doubled since the introduction of the liquor reforms<sup>15</sup>, suggesting that the laws are encouraging smaller, lower impact venues in areas that had been dominated by an excessive number of large nightclubs and pubs.

## **Venue exemptions**

There have been some calls to allow exemptions for certain venues, such as those that provide live music. I do not believe there is any evidence to back claims that less alcohol is consumed at these venues or that violence is not a problem. In fact, prior to the introduction of the liquor reforms, I regularly witnessed large intoxicated crowds congregating outside a prominent live music venue on Oxford Street.

There would also likely be difficulty in defining which venues meet the live music criteria. For example, would electronic music and DJs be included? What about venues that provide live entertainment such as drag performers?

Critics have also called for exemptions for 'well managed' venues. However, this would simply replicate the government's existing violent venues regime, which has been in operation since 2009. It includes drink restrictions and lockouts for prescribed venues, among other measures. This regime has not had a substantial impact on on-street alcohol-related assaults in trouble spots such as Kings Cross<sup>16</sup>, particularly in comparison to the effective liquor law reforms. Venue operators have also frequently cited the need for a level playing field, hence the appropriateness of across-the-board restrictions. Melbourne's lockout laws were eventually abandoned by the Victorian government after proving ineffectual due to the large number of venue exemptions granted<sup>17</sup>.

## **Risk-based licensing**

I strongly believe the introduction of the risk-based licensing scheme was a positive development for NSW. It is entirely appropriate to charge higher fees for venues that are more likely to contribute to alcohol harms, such as those with large capacities and longer trading hours. With the correct framework, this should lead to a positive cultural shift in the late-night environment in NSW, encouraging the establishment of lower-risk venues such as restaurants and small bars, as well as providing an incentive for responsible management. A report produced for the Foundation for Alcohol Research and Education found promising results from the ACT's own risk-based licensing regime<sup>18</sup>. The report also refers to many of the benefits that are likely to be derived from risk-based licensing.

I do however have some concerns with the current NSW scheme. The first concern is that the risk-based loadings for capacity and location are only triggered by a 'strike' or inclusion on the 'violent venues' list. The cumulative impact of large late-trading venues is a substantial contributor to violence and antisocial behaviour; this is

illustrated in the evidence I have already provided and is also backed by local and international research<sup>19</sup>. The second concern relates to the potentially inadequate base and risk-loading fees. The fees should be substantial enough to have the desired effect on the licensing decisions of operators, while also helping to subsidise the costs of licensing regulation and the community impact of alcohol and late-trading. Properly designed, and combined with the service of alcohol cessation and other measures, the scheme could work to prevent the cumulative impact of late-trading licensed premises that led to the problems we have seen in Kings Cross, Oxford Street and the CBD.

Thank you for taking the time to consider the various issues raised in this submission.

Yours Sincerely,

Stephen Pate

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- <sup>1</sup> 'Late night Sydney under the spotlight', City of Sydney Council, <http://www.sydneymedia.com.au/4438-late-night-sydney-under-the-spotlight/>
- <sup>2</sup> 'Media Release: "Lockout" Law Evaluation', BOCSAR NSW, [http://www.bocsar.nsw.gov.au/Pages/bocsar\\_media\\_releases/2015/mr\\_cjb183.aspx](http://www.bocsar.nsw.gov.au/Pages/bocsar_media_releases/2015/mr_cjb183.aspx)
- <sup>3</sup> 'Alcohol-related injuries down at St Vincent's Hospital since Kings Cross lockout laws introduced', ABC News, <http://www.abc.net.au/news/2015-11-02/alcohol-related-injuries-down-since-kings-cross-lockout-laws/6904450>
- <sup>4</sup> "'Last-drink' laws, not lockouts, reduce alcohol-fuelled violence', Professor Kypros Kypri, <http://theconversation.com/last-drink-laws-not-lockouts-reduce-alcohol-fuelled-violence-52815>
- <sup>5</sup> 'The impact of small changes in bar closing hours on violence. The Norwegian experience from 18 cities', Rossow & Norstrom, <http://www.ncbi.nlm.nih.gov/pubmed/21906198>
- <sup>6</sup> 'Criminologist: How to tackle alcohol-fuelled violence', Professor Janet Ransley, <http://www.brisbanetimes.com.au/queensland/criminologist-how-to-tackle-alcoholfuelled-violence-20160211-gmri3s.html>
- <sup>7</sup> 'Sydney Lockout Laws Have Had A 'Massive Effect' On Community, Jobs', Sam McKeith, [http://www.huffingtonpost.com.au/2016/02/13/lockout\\_0\\_n\\_9206214.html](http://www.huffingtonpost.com.au/2016/02/13/lockout_0_n_9206214.html)
- <sup>8</sup> 'Cop the facts: Lockout laws save lives', Scott Weber, <https://pansw.org.au/news/headlines/cop-the-facts-lockout-laws-save-lives.html>
- <sup>9</sup> 'Lean times for Oxford Street', Scott Bolles, <http://www.margaretrivermail.com.au/story/945386/lean-times-for-oxford-street/>
- <sup>10</sup> 'A diners' favourite stripped of its past', Scott Bolles, <http://www.bordermail.com.au/story/486/a-diners-favourite-stripped-of-its-past/>
- <sup>11</sup> 'Flawed City of Sydney report fuels alcohol lobby', Professor Peter Miller, <http://www.smh.com.au/comment/flawed-city-of-sydney-report-fuels-alcohol-lobby-20160207-gmmgg.html>
- <sup>12</sup> 'Cargo Bar owners call last drinks', Carolyn Cummins, <http://www.smh.com.au/business/cargo-bar-owners-call-last-drinks-20160310-gnfs4t.html>
- <sup>13</sup> 'Explainer: the Sydney lockout laws debate', Michael Koziol, <http://www.smh.com.au/nsw/lockout-laws-baird-facebook-comment-controversy-highlights-crime-data-debate-20160211-gmrqk.html>
- <sup>14</sup> 'Lockouts and last drinks: The impact of the January 2014 liquor license reforms on assaults in NSW, Australia', BOCSAR NSW, <http://www.bocsar.nsw.gov.au/Documents/CJB/CJB183.pdf>
- <sup>15</sup> 'Sydney lockout laws: Premier Mike Baird defends laws as independent review approaches', James Robertson, <http://www.smh.com.au/nsw/sydney-lockout-laws-premier-mike-baird-defends-laws-as-independent-review-approaches-20160209-gmp6dw.html>
- <sup>16</sup> 'Alcohol and violence: Time to act', Sean Nicholls, <http://www.smh.com.au/nsw/alcohol-and-violence-time-to-act-20140110-30mfl.html>
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- <sup>18</sup> 'Risk-based licensing and alcohol-related offences in the Australian Capital Territory', Matthews & Legrand, <http://www.fare.org.au/wp-content/uploads/research/Risk-based-licensing-and-alcohol-related-offences-in-the-ACT-Final.pdf>
- <sup>19</sup> 'Night-time economy management: International research and practice', Dr. Phil Hadfield, [http://www.cityofsydney.nsw.gov.au/\\_\\_data/assets/pdf\\_file/0016/131740/InternationalEvidenceLiteratureReview.pdf](http://www.cityofsydney.nsw.gov.au/__data/assets/pdf_file/0016/131740/InternationalEvidenceLiteratureReview.pdf)