

SUBMISSION to

Hon. IDF Callinan AC QC

INDEPENDENT REVIEW
NSW LIQUOR ACT 2007
LIQUOR AMENDMENT ACT 2014
1.30AM LOCKOUTS
3AM CEASE SERVICE PROVISIONS

STEVEN WARD

Director

The World Bar

My name is Steven Ward. I am a director at The World bar in Kings Cross. We have operated in the area since October 2000 and have experienced first hand the issues in this area.

The main causes of the issues in Kings Cross pre lockouts:

1. Venue Issues. Unregulated operations, low conformity. Sporadic authority checks and inconsistent enforcement across venues in the Cross.
2. Taxi Rank Marshalling. Taxis keeping *for hire* light off, 'cherry picking' rides. Leaving local fares stranded. No cab rank patrol. This was a major cause of violence.
3. Inadequate Local Police numbers vs. High Patronage for the area. The local Liquor Accord and City of Sydney asked for this to be addressed on numerous occasions.
4. KX Reputation. Developed over the last century. Recently fueled by the TV series 'Underbelly'. The Daily Telegraph had the Cross as their 'go to' piece when news was needed and the tempo ramped up when Underbelly was to be released. The SMH came on board after the second tragic incident when Daniel Christie died and both newspapers whipped up a storm while the politicians were on summer leave. This forced the State Government into a knee jerk reaction.
5. Trains Stop at 1pm. Thousands into the area, limited options to get out.
6. Increased Liquor Licenses in area. Small bars project. The timing of this initiative increased the loading of available alcohol in the area with no corresponding changes in infrastructure.
7. Amenity Issues. No bins on Bayswater rd. Low CCTV numbers (2 in all KX pre DC's death). Street lighting (Victoria St.)
8. Injecting Room clientele and associated suppliers in the vicinity. Whilst the MSIC is to be commended for it's work the effect of having it in the area keeps a sub-culture of users and suppliers in constant flux around the front of the KX Station and environs. The effects are profound as new business cannot get a foothold and flourish in the immediate vicinity and help to change the demographic.
8. Propensity for Violence in young Australian males. Any trouble we've encountered as operators has invariably been from young males. Drugs are often in the mix. As an operator we take responsibility for the alcohol intake of patrons but when pre-loading and drugs are involved, whilst we're vigilant, the results make people unpredictable.
9. Disregard for Personal Responsibility amongst patrons. Deterrents relating to violence are failing to have an impact.

These issues combined to create a dangerously volatile recipe.

The lockouts and associated legislation have been the main tools used to manage the violence that ensued from these issues. With the watering down and failure to implement the mandatory sentencing side of the equation the responsibility has defaulted to the venues. When considering the points above it becomes obvious that in many of the areas the State Government and Local Council have a large part to play in the management of the issues and consequently, the creation of the problems in the area.

For the record, we abhor violence, and work very hard to create a friendly, open, and inclusive atmosphere in our venue. It is virtually impossible to predict the actions of the small percentage of individuals that have a propensity to be violent making total screening all but impossible.

Since the lockouts began we've experienced these difficulties:

1. Finding and keeping approved managers & finding and keeping staff. Staff stress and fatigue due to regulatory expectations. Students training to be teachers or lawyers have left as they have a higher likelihood of attracting a criminal record working in the area.
2. OLGR approval and card creation systems are so slow we can't keep potential employees on hold for the interim period as they are required to have the cards to work.
3. OLGR and regulatory visits targeted for key trading times (11.30pm Sat night). Tying up key managers and compromising venue safety and control. Uncompromising picking through of every detail to catch irregularities at these times.
4. Hostile authority personnel. OLGR, ALEC, Sydney City Council, Drug Squad, Undercover Police & Local Licensing. Treat staff, managers & patrons with hostility and there's an overwhelming sense the venue and staff are viewed in a criminal light.
5. Oppressively detailed legislation for the Kings Cross area that all carry strikes: e.g. not sweeping the footpath or not printing 'scanners used in this venue' on all promotional material.
6. Double handling of some recording of incidents. Security register & Incident Register have to be cross referenced.

We are lucky to have the staff that we employ here at The World Bar, they're a lovely group of people. What they have been through in the last two years is something else, they are shell shocked and tired and it's become very hard to keep them motivated and looking forward.

Above all - the financial difficulties are unrelenting:

1. Low turnover. Turnover has dropped by 25%. A bar business works on margins, and this makes the business unsustainable. (N.B. The World Bar relinquished its Poker Machines & licenses in 2012 in favour of entertainment).
2. Increased compliance costs. Scanners (\$11,000 + \$800/m), CCTV (\$15,000), RSA Marshalls (\$24,000/yr), Scanner Security Operator (\$65,000/yr) (4.5hrs x \$40 x 363days), Approved managers (\$400ea), License Fee from \$5500 up to \$28,000, Public Liability increase (\$22,000), Sales Data reporting (\$3000)

To keep ourselves in business two (of three) directors have taken voluntary redundancy and moved to the UK and we have had to sell a bar business in Auckland. We have also streamlined all entertainment, pushed suppliers and negotiated rental terms with our landlords. The value of the business has dropped considerably.

We would like to see:

1. Viable transport solutions. 24 hour trains on high foot traffic nights.
2. Police Presence - on the street/on the beat. Not riding past in cars or in large numbers inside the venues. Above all, talking and interacting with people in a friendly manner - putting them at ease rather than on edge. More police based in Kings Cross.
3. Police Powers revised for drunk/aggressive people. Affirmative action on drunk & disorderly.
4. Individual Accountability. Tangible punishments for violence crimes - a real deterrent. Strengthen Section 77 laws. Lock offending individuals out of all venues. Let them know they are not wanted in a civilised city.
5. Education. In a similar vein to tobacco, acknowledging it will need time. (Step back - think Campaign - Victoria). Long term commitment to public education around violence and the consequences. Included in schools.
6. Venues on a level playing field. Lessen displacement. Increase competition. No lockouts, blanket closing time of 4am similar to New York.
7. Lockouts as a punishment not a policy. Only a temporary solution for troublesome venues.
8. Onerous compliance structures revised to suit the changed nature of Kings Cross and to allow the venues to 'breathe' again.
9. Revise the compliance revenue structure set out by the OLGR - it's too onerous for venues to handle in light of added financial burdens of compliance.
10. **Compliance Scorecard.** Venues can only start at zero and go backwards in the current model. The systems around control are all set up to punish and shut down. The number of authority visits we've had in the past two years that have yielded no issues vastly outweigh any issues found. Currently we have 340 recorded visits since the beginning of 2014. This number is likely to be closer to 500 as managers are often too busy to make notes in the system.

At some point you would have to say a venue was run well. Can a system be evolved that recognises the significant effort it takes to keep a venue running and well managed? This system can be used to recognise venues that are failing maintain their legal obligations.

11. **Scrap the Three Stikes Policy.** Venues constantly live in fear of a missed step. Most licenses revoked by police lately have been under the Liquor Act as it existed before the Three Strikes policy rather than this policy on it's own.

Conclusion

The Lockout Laws have been brutally effective in cleaning up the area. So much so they are akin to a 'Cultural Napalm' - the good has been taken out with the bad. All major cities have their areas of 'disrepute'. Some have chosen to celebrate that and work collectively to clean them up and recaste them in a constructive way, whilst still celebrating the darker side of the human condition.

It would be encouraging to see a more open minded approach to these issues with industry consultation and an eye kept to positive best practice in other major cities. Sydney has the opportunity to lead the way in solving these problems if the State and Local Governments can begin to see the real value in making that choice.