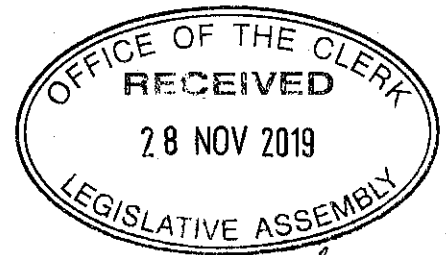




**The Hon. Stuart Ayres MP**  
Minister for Jobs, Investment, Tourism  
and Western Sydney



*Received.  
H. Minnican*

28 November 2019

Ms Helen Minnican  
Clerk of the Legislative Assembly  
Parliament of New South Wales  
Macquarie Street  
SYDNEY NSW 2000

Dear Ms ~~Minnican~~, *Helen*

Please find enclosed a copy of the NSW Government's response to the Joint Select Committee on Sydney's Night Time Economy Report.

I would be grateful if you could arrange for the Government response to be tabled.

Yours sincerely

**Stuart Ayres MP**  
Minister for Jobs, Investment, Tourism  
and Western Sydney

## NSW Government Response to Night Time Economy Inquiry Recommendations

Committee Recommendation	Government Response
1. That venues be recognised and encouraged, through licence discounts, subsidies or other licensing incentives, to provide funding contributions and support to harm minimisation programs, such as the Safe Space and Stay Kind Take Kare Ambassadors programmes.	<p>Supported in principle.</p> <p>The Government strongly supports venues contributing to harm minimisation programs and recognises the valuable work these organisations provide to the community. In line with Recommendations 26 and 28, the Government supports a licencing and compliance system that incentivises positive behaviour. Further consultation is required to determine if licensing incentives are the most effective and appropriate mechanism to encourage venues to support harm minimisation programs.</p>
2. That any venues who self-report a breach are, where appropriate, not penalised or have a reduced penalty in recognition of their initiation of action of their own volition and responsible approach.	<p>Supported in principle.</p> <p>In line with Recommendations 26 and 28, the Government supports a licencing and compliance system that incentivises positive behaviour. Regulatory bodies are responsible for any decisions regarding penalty reductions.</p>
3. That processes for notifying venues of any breach are improved and streamlined so that venues can respond to any alleged breach quickly, effectively and collaboratively with regulators, with a view to remedial outcome rather than penalty and prosecutorial outcome.	<p>Supported.</p> <p>Current notification processes will be reviewed in the context of improving and consolidating existing sanctions schemes (Three Strikes, Violent Venues and Minor Sanctions Schemes) to support a licensing and compliance system that rewards good behaviour and makes it easier for venues to understand and comply with their obligations (refer Recommendations 26 and 28).</p>
4. That there is a coordinated approach between the respective inspectors from the Independent Liquor & Gaming Authority, Liquor & Gaming, the City of Sydney Council, NSW Police and other agencies concerning the monitoring and inspection of venues to avoid duplication, overlap and unnecessary expense to Government and business. Inspectors should communicate immediately, or as soon as practicable, with licensees or operators to allow optimal opportunity for rectification and remedy, rather than maximum penalty. However, recidivist venues which do not demonstrate an enthusiasm for remedy and are consistently in breach should be subject to review by the Small Business Commissioner, Liquor & Gaming NSW and other relevant agencies.	<p>Supported in principle.</p> <p>The Government is committed to continuing coordinated approaches between regulatory agencies (including combined operations by NSW Police and Liquor &amp; Gaming NSW) and reducing regulatory overlap and streamlining inspection and monitoring processes. These will be reviewed in the context of streamlining existing sanctions schemes (Three Strikes, Violent Venues and Minor Sanctions Schemes) and better aligning planning and liquor licensing systems (refer Recommendations 15, 26 and 28).</p> <p>The Government does not support the Small Business Commissioner being responsible for reviewing venues that consistently breach their conditions. The Small Business Commissioner's role is a statutory role, to advocate for and support small business in NSW. The responsibility for reviewing venues will sit with the Independent Liquor and Gaming Authority, as the independent decision-maker for liquor disciplinary matters.</p>
5. That further analysis and research be undertaken to ascertain which of the suite of public safety measures introduced in the last decade have contributed most to the decline in nondomestic assaults both in Sydney and across the state.	<p>Supported.</p>
6. Given the density of venues in the Kings Cross precinct, a pathway should be created for licences to be transferred to outside the area to reduce the density of venues.	<p>Supported in principle.</p> <p>The potential transfer of licences outside the Kings Cross precinct will be considered in the context of reviewing the current liquor licence freeze (refer Recommendation 35).</p>
7. That the City of Sydney be requested to prepare and implement a streetscape and furniture improvement plan for Kings Cross to make it pedestrian friendly, eliminate black spots, improve signage, increase lighting and improve amenity. Other relevant government agencies should also consider such a plan.	<p>Supported.</p>
8. That the relevant minister encourage all councils to adopt the Inner West Council's Live Music Venues Good Neighbour Policy, and expand it to cover other venues, to ensure that	<p>Supported.</p>

Committee Recommendation	Government Response
<p>complainants and businesses are mandated to meet with each other first, to try to resolve disputes collaboratively, before a council will act upon any complaint or dispute.</p>	
<p>9. That the Department of Planning, Industry and Environment investigate:</p> <ul style="list-style-type: none"> <li>• adopting an agent of change principle into planning law to protect existing venues.</li> <li>• adopting provisions to allow the designation of entertainment precincts that may encourage new venues.</li> </ul>	<p>Supported in principle.</p> <p>The Government supports the ‘agent of change’ principle but notes that local councils are best placed to identify live music venues and areas where noise conditions should apply, rather than a State-wide approach. The Department of Planning, Industry and Environment will work with relevant councils to explore how they can be best supported e.g. developing model provisions or best practice guidance which councils can adopt and adapt to local conditions.</p>
<p>10. That the NSW Government appoint an overarching coordinator to bring together all relevant stakeholders to enhance Sydney's night time economy. This should be done by a central agency of government under the direction of a minister.</p>	<p>Supported in principle.</p>
<p>11. The coordinator referenced in Recommendation 10 should, along with the Independent Liquor &amp; Gaming Authority, convene a working group of stakeholders including, but not limited to:</p> <ul style="list-style-type: none"> <li>• a community representative</li> <li>• a licensee representative</li> <li>• a youth representative</li> <li>• a music representative</li> <li>• NSW Health</li> <li>• NSW Police</li> <li>• the Small Business Commissioner</li> <li>• Liquor &amp; Gaming NSW</li> <li>• the Independent Liquor &amp; Gaming Authority</li> <li>• the City of Sydney</li> <li>• Destination NSW</li> <li>• Create NSW</li> <li>• the Department of Planning, Industry and Environment</li> </ul>	<p>Supported in principle.</p>
<p>12. That the coordinator develop and implement a strategy to enhance Sydney's night time economy. This strategy should include:</p> <ul style="list-style-type: none"> <li>• identifying and removing barriers to new and existing licensing and operation of venues;</li> <li>• collaborating to offer more diverse options to potential visitors;</li> <li>• encouraging the growth of entrepreneurial and new business start-up concepts in the Sydney CBD; and</li> <li>• promotion of the Easy to do Business program.</li> </ul>	<p>Supported.</p> <p>Work is already underway to better align licensing and planning systems. This aims to identify and remove barriers to new and existing licensing and operation of venues to make it simpler, faster and cheaper for customers to start and run a licensed business in NSW.</p> <p>This will build on the Government’s rollout of new liquor licensing options to encourage new businesses to offer new NTE opportunities, including new pop-up licences, micro-breweries and small distilleries licences, and fee reductions to convert existing licences to small bar licences.</p>
<p>13. That the coordinator and the Independent Liquor &amp; Gaming Authority work together to advise the relevant Minister within 60 days on the following matters:</p> <ul style="list-style-type: none"> <li>• the development of the night time economy strategy</li> <li>• small bar licence facilitation</li> <li>• facilitating amendment and relaxation of licence conditions for "well behaved venues"</li> <li>• facilitating ease of application and approvals for new licences or licence transfers</li> <li>• arts venues</li> <li>• small (120-250 people) and medium (400-500 people) sized music venues</li> </ul>	<p>Supported in principle.</p>

Committee Recommendation	Government Response
14. That the relevant minister relax some of the restrictions on businesses operating in the night time economy. A single point of contact, such as the Small Business Commissioner, should be established for businesses to discuss ongoing concerns with Government and identify the most appropriate restrictions to be repealed or consolidated.	Supported (refer Recommendation 24 for the restrictions to be relaxed).  The Small Business Commissioner already advocates for small business and serves as a neutral party between small business and government.
15. That the Department of Planning, Industry and the Environment develop an integrated application process for liquor licencing and development applications that removes duplication in processes.	Supported in principle.  The NSW Government has already commenced work as part of its commitment to growing a vibrant, safe and diverse night-time economy by better aligning the liquor licensing and planning systems. Work is underway with agencies looking at opportunities to remove duplication, reduce red tape and make it easier to start and grow licensed businesses in NSW.
16. That the NSW Government amend liquor legislation to remove unnecessary conditions for liquor licences and development applications that place unnecessary restrictions on live music, such as banning certain genres of music or certain musical instruments.	Supported.
17. That the NSW Government investigate ways to support venues to provide entertainment. This should include making it easier for existing venues to do so, by encouraging new small and medium size music and entertainment venues, and the use of empty or under-utilised government spaces as temporary or pop-up arts and entertainment venues.	Supported.
18. That the NSW Government allocate funding to promote Sydney's night-time economy to both a domestic and international audience.	Supported in principle.
19. That the NSW Government consider developing regulations to support the night time use of spaces occupied by businesses during the day, with a particular focus on supporting the night time use of the space by creative businesses.	Supported in principle.
20. That the NSW Government consider developing regulations to permit unused government buildings to be used as creative art spaces.	Supported in principle.
21. That the NSW Government amend the small bar licence to permit licensees to operate a bar with a patron limit of 130, and standard operating hours of operation under the licence to 2.00 am.	Partially supported.  The Government supports an increase in the small bar patron limit to 120 based on the available evidence that suggests venues up to this size have lower rates of alcohol-related violence. Opportunities will also be explored to enable a broader range of low-risk small bar business models to operate under this licence – including by authorising minors in small bars in certain circumstances for family oriented functions or small business services that could be accessed by minors in the daytime or early evening (e.g. restaurants, bookshops, etc.).  While liquor laws already provide an extended trading authorisation permitting all small bars to sell liquor until 2am, a development consent may restrict trading hours for the business. The same issue may apply to increasing patron capacity to 120. The planning and licensing alignment project underway will investigate how to implement a standardised approach to imposing trading hour conditions and patron limits to minimise inconsistencies between liquor licences and development consents.
22. Removing any rule of thumb requirement for small bar licences, for example for one security guard per 100 patrons, where a written security plan is in place and the venue is well performed. Should these provisions be required, they should be in the written plan of management for the	Supported in principle.  Small bars are not required to have a minimum number of security guards in place as part of the liquor licence.

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venue, which is negotiated with NSW Police, rather than the licence or Development Application approval.	The Government supports a nuanced approach to security conditions that takes into account the nature of the business model being run at the small bar premises and will work with local councils to encourage the take up of the Government's approach to this recommendation as part of the planning and licensing alignment project in consultation with NSW Police and the City of Sydney (refer Recommendation 15).
23. For small bar licences, remove high risk licence fees for later trading from these low risk venues.	Completed.  High risk licence fees do not apply for small bars and other types of low risk venues already. These venues are excluded from additional annual licensing fees that apply for higher risk venues trading after midnight.
24. That the following aspects of the suite of measures known as the 2014 laws be removed at licensed venues in the Sydney CBD precinct including Oxford Street, with appropriate urgency: <ul style="list-style-type: none"> <li>• 1.30am lockout</li> <li>• prohibition on service of certain drinks after midnight, including: shots, drinks containing more than 50% spirits or liqueur, ready to drink beverages with an alcohol by volume content of more than 5%</li> <li>• cocktails and drinks prepared on premises containing 30 ml or more of sprits or liqueur</li> <li>• restriction of glass in the late trading period, and</li> <li>• the 3.00am cessation of service.</li> </ul>	Supported in principle.  The Government will remove the requirement for a 1:30am lockout in the Sydney CBD precinct, including Oxford Street.  The following post-midnight prohibitions will be removed for venues in the Sydney CBD: service of cocktails and drinks prepared on premises containing 30 ml or more of spirits or liqueur, ready to drink beverages with an alcohol by volume content of more than 5%, the use of glass, service of drinks containing more than 50% spirits or liqueur, and the service of 'shots'.  However, the Government notes that these specific conditions may be applied to venues that demonstrate an unacceptably high risk or breach the conditions of their license repeatedly.  The Government does not support removing the cessation of service requirements. There is significant evidence demonstrating that maintaining 'last drinks' effectively reduces alcohol-related violence. Instead, the Government will extend cessation of service in the Sydney CBD from 3am to 3:30am for venues without adverse compliance history over the past three years, to be reviewed after 12 months.
25. That the trading hours for the sale of takeaway alcohol be extended to midnight Monday through to Saturday, and 11pm on Sunday	Supported.
26. That Liquor & Gaming NSW and the Independent Liquor & Gaming Authority, incentivise, recognise and reward licensees for ongoing good behaviour. Conversely, Liquor & Gaming NSW and the Independent Liquor & Gaming Authority be able to impose the 2014 law measures for non-compliant venues, if necessary.	Supported (refer Recommendation 28).
27. That the Department of Planning, Industry and the Environment develop a tool that can complete the assessment of the cumulative impact of high impact venues in a particular neighbourhood through the liquor licencing system.	Supported.  The Government notes that the Department of Customer Service is responsible for developing this tool.
28. The Department of Planning, Industry and the Environment should consider amending or expanding the violent venue scheme if alternative measures are required in future.	Supported.  The Government will consider building upon the success of the Violent Venues scheme by merging existing sanctions schemes (Violent Venues, Minor Sanctions and Three Strikes) into a consolidated sanctions and rewards system that is focused on reducing serious breaches of the liquor laws, keeping levels of violence down on licensed premises, and incentivising good behaviour. The system will increase transparency and make it easier for venues to understand and comply with their obligations. Further stakeholder consultation will be undertaken before any changes are introduced.  The Government notes the Liquor & Gaming NSW is responsible for managing liquor licence sanctions schemes.
29. That the mandated hours of operation of ID scanners in the Kings Cross precinct be reduced to require operation from 10pm on Friday and Saturday nights only. Venues which voluntarily	Supported.

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operate ID scanners outside these hours should be offered recognition and incentives (such as subsidies or licensing incentives) for demonstration of model licensee behaviour.	<p>Other venues will be encouraged to 'opt-in' to operating an ID Scanner, rather than imposing the requirement on all venues. Venues that do the wrong thing could still have a condition imposed on them requiring the venue to operate an ID Scanner, as part of a consolidated sanctions and rewards system (refer Recommendations 26 and 28).</p> <p>The Government will consider supporting a multi-provider model through the development of a single online database accessible by all venues to allow venues to share information on excluded persons, subject to strict privacy and data security safeguards.</p>
30. That venues be encouraged, through licence discounts, subsidies or other licensing incentives, to engage in additional RSA programs such as the Three Cheers program.	<p>Supported in principle.</p> <p>In line with Recommendation 26, the Government supports a licencing and compliance system that rewards good behaviour. Further consultation is required to determine if licensing incentives are the most effective and appropriate mechanism to encourage venues to support harm minimisation programs.</p>
31. That the 2014 laws be removed in the Sydney CBD and Oxford Street to facilitate increased patronage at a diverse range of venues to enhance Sydney's night time economy.	Supported in principle (refer Recommendation 24).
32. That Transport for NSW perform costings for options, and take appropriate steps to improve late night public transport, including 24-hour services, to help people engage with the night time economy.	<p>Supported.</p> <p>Options will be considered as part of developing a strategy to enhance Sydney's night time economy (refer Recommendation 12).</p>
33. That Transport for NSW examine ways to incentivise taxis operating between 1.30am and 4.30am when public transport is generally unavailable, allowing taxis to become effectively part of the public transport service during those hours.	<p>Supported in principle.</p> <p>The potential role of taxis and rideshare will be explored and costed as part of the late night public transport review (refer Recommendation 32).</p>
34. That Transport for NSW provide secure taxi ranks in Kings Cross and the Sydney CBD	<p>Completed.</p> <p>Secure taxi ranks are already provided in these areas, a list of which is available here: <a href="https://transportnsw.info/travel-info/safety-security/safe-travel-in-taxis-hire-vehicles/secure-taxi-ranks">https://transportnsw.info/travel-info/safety-security/safe-travel-in-taxis-hire-vehicles/secure-taxi-ranks</a></p>
35. That the freeze on new liquor licences be retained until its 12 month review in June 2020. It is emphasised that the freeze is not for small bars or other types of diverse licences such as popups, but rather for larger licensed venues. The review should pay particular attention to the impact of the freeze on smaller music venues in the Sydney CBD.	<p>Supported.</p> <p>The Government will review the approach to the freeze ahead of its expiry in June 2020. Opportunities will be considered to move to a different approach to assessing venue density risks and leverage more sophisticated assessment tools (refer Recommendation 27).</p>
36. That any removal of the 2014 laws be reviewed within twelve months, with particular focus on alcohol-related violence, alcohol-related accidents, and the night time economy. This, and any subsequent reviews, should be reported publicly.	<p>Supported.</p> <p>The review will ensure robust data is available to support the Government's analysis. BOCSAR advises that sufficient data will not be available within 12 months, but after the 12 months is completed.</p>
37. Should the NSW Government retain the 2014 law conditions in the Kings Cross precinct, a review of these conditions should be completed within 12 months taking into account diversity of venues and saturation of high impact venues.	Supported.
38. That the Independent Liquor & Gaming Authority include in its annual report a review into the operation of the 2014 laws, including statistics on complaints, and recommendations for further change.	Supported.
39. That the Bureau of Crime Statistics and Research and the Centre for Translational Data Science align their statistical analysis and provide	Supported in principle.

Committee Recommendation	Government Response
<p>ongoing statistical data to the coordinator to inform and assist decision making.</p>	<p>BOCSAR will continue to provide ongoing statistical data related to the night time economy.</p> <p>The Government encourages third parties, such as the Centre for Translational Data Science, to continue monitoring and reporting on this issue.</p>
<p>40. If the Sydney Lock-out reforms are successful, the NSW Government should give consideration to a review of Newcastle liquor licensing conditions and working with Newcastle City Council to rejuvenate the night-time economy and its economic importance for the Hunter Valley.</p>	<p>Supported.</p> <p>The Newcastle liquor licensing conditions were imposed in March 2008 by the then Liquor Administration Board on individual venues. No precinct wide conditions under the Liquor Act 2007 apply in Newcastle.</p> <p>In 2018, the Independent Liquor &amp; Gaming Authority commissioned a review by Mr Jonathan Horton QC, of the conditions imposed on the individual venues. Based on the review's findings, the Authority resolved to make only minimal changes to the conditions and retained patron lockouts and the requirement to stop serving alcohol 30 minutes before closing.</p> <p>The Independent Liquor &amp; Gaming Authority will continue to monitor the ongoing effectiveness of these conditions to ensure they support the balanced development of industry and the night time economy with public safety.</p>