

**Submission
No 356**

SYDNEY'S NIGHT TIME ECONOMY

Organisation: Universal Hotels

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SUBMISSION TO THE JOINT SELECT COMMITTEE ON SYDNEY'S NIGHT TIME ECONOMY –
PARLIAMENT OF NEW SOUTH WALES

Background

This submission is made by Universal Hotels Group. Universal Hotels operates eight hotel properties within the affected Sydney CBD Entertainment Precinct. The venues are the Civic Hotel, 1821 Hotel, V Bar Sydney, Hotel Downing, Kinselas Hotel, the Oxford Hotel, Universal Hotel and the Brighton Hotel. Universal Hotels has been operating hotels in the Sydney CBD precinct since 1999.

Impact of the Lockout Laws on Sydney's night time economy

The impact of the Lockout Laws on the subject precincts has been marked:

- APRA AMCOS (2016) reports that live music venues have seen a 40% reduction in revenue.
- The Saturday Paper (2018) reports that “Sydney’s lockout laws have ruined the economic viability of the city’s live entertainment culture, a state parliament inquiry has been told, with venue closures and poker machines replacing band rooms”.
- Slate (2015) reports foot traffic has fallen by 84% in the Kings Cross Precinct and 82% in the balance of the precinct.
- In 2019, TimeOut conducted a survey of over 30,000 people around the world to ascertain the World’s best city. Sydney ranked 39th, having ranked at 10th in the same survey prior to the introduction of the Lockout laws.
- The Sydney Morning Herald (2018) reports the closure of 176 venues in the affected precincts after the introduction of the lockout laws.
- Deloitte (2019) in its Imagine Sydney report, finds that the underdevelopment of Sydney’s Night Time economy represents an opportunity cost of \$16bn per annum to the state economy.

Terms of reference

Measures required to maintain and enhance community safety; and to maintain and enhance individual and community health outcomes

The Bureau of Crime Statistics (2017) reports that the long-term trend in alcohol related violence was downward at the time of the introduction of the lockouts. Indeed, the Bureau also reports (2015) that in the six years leading up to the law's introduction, ambulance calls in the subject precincts halved from ~1,600 per annum to ~800 per annum. After the lockout law's introduction, this trend continued. King's Cross reports a reduction of 49% in alcohol related violence while the CBD precinct reports 13%. With pedestrian traffic numbers falling by greater than 80% in the precincts, the result is a **net increase** in alcohol related assaults, on a per capita basis.

I accordingly submit that adequate measures are already in place (and indeed were in place at the time of the laws' introduction) to maintain and enhance community safety, and to maintain and enhance individual and community health outcomes.

I further submit that the State Government's recent infrastructure projects, particularly in respect of transport, will enable persons to quickly leave the precincts, reducing loitering and significantly reducing the risk of alcohol related violence. Further, disruptive transport technologies such as Uber will assist greatly in the efficient dispersal of persons from the precinct at any time.

Measures required to ensure existing regulatory arrangements in relation to individuals, businesses and other stakeholders, including Sydney's lockout laws, remain appropriately balanced

The Liquor Act and Regulation, and associated suite of legislation, contain significant measures for the regulation of licensed premises. These include by way of example the Three Strikes Scheme and venue closure orders. In the writer's experience, licensed premises operators are responsible and compliant. In the event of non-compliance, the Independent Liquor and Gaming Authority, local government, Liquor and Gaming NSW and the NSW Police Force have significant measures available to them with respect to licensed premises.

There is an opportunity, in our view, to reform regulatory arrangements to place an increased onus on personal responsibility. The vast majority of individuals are law abiding and able to enjoy a drink without becoming violent. The actions of a few ought not sully the experience of all. Penalties for alcohol related assaults should be increased, as should penalties for Failure to Leave licensed premises. Sufficient regulatory arrangements exist with respect to licensed premises, exclusive of the lockout laws. Regulatory reform ought to be undertaken to personal responsibility.

Measures required to enhance Sydney's night time economy

The lockout laws have devastated Sydney's night time economy. Its recovery is not possible without the complete removal of the lockout laws and associated precinct specific conditions.

Conclusion

Sufficient regulatory arrangements would survive the revocation of the lockout laws with respect to licensed premises. However regulatory reform should be undertaken requiring individuals to be more responsible for their actions. The long term trend (from 2009) in alcohol related violence is downward, and there is no evidence to suggest that the revocation of the lockout laws would change this.

We finish this submission by quoting Clover Moore, Lord Mayor of Sydney, "It's a fact that lockouts have hurt Sydney's cultural life and led to the loss of jobs and the shutdown of businesses, including live music venues, small bars and restaurants. It was a sledgehammer when what we needed was a well-researched evidence-based, flexible response using transport, planning, licensing and police."

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Universal Hotels
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