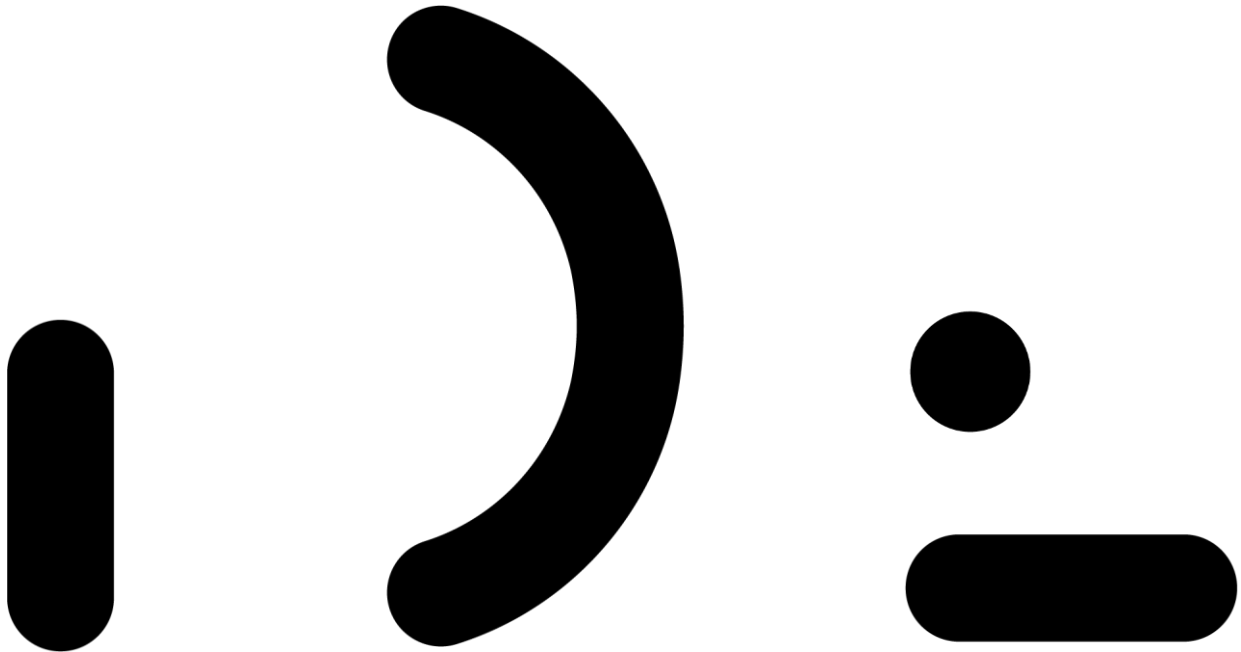


**Submission
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SYDNEY'S NIGHT TIME ECONOMY

Organisation: Alcohol and Drug Foundation

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Inquiry into Sydney's Night Time Economy

Submission to Joint
Select Committee NSW
Parliament

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Response to the Inquiry into Sydney's Night Time Economy

2 Introduction - The Alcohol and Drug Foundation

The Alcohol and Drug Foundation (ADF) welcomes the opportunity to contribute to the Inquiry into the Night Time Economy and we would be pleased to provide further advice should the Joint Select Committee consider that useful.

Founded in 1959, the ADF has contributed 60 years of continuous service to communities across Australia. The ADF works in partnerships with communities to reduce the burden of disease caused by alcohol and other drug problems. We also provide information on alcohol and other drugs that reach all corners of Australia through our website, SMS and telephone services. Our focus is on prevention and early intervention and our strategies include community action, health promotion, education, information, policy, advocacy, and research.

The ADF has a significant role in reducing alcohol and other drug related harm in New South Wales. This role includes leading the Good Sports program which assists 2900 sporting clubs in NSW to control the use of alcohol, coordinating the work of Community Drug Action Teams on behalf of the NSW Department of Health and managing a national system of Local Drug Action Teams that are funded by the Australian Government.

Community Drug Action Teams (CDATs) are groups of volunteer residents, business people and workers from government and non-government services who have come together to improve their community. Seventy-three (73) CDATs are striving across NSW to make the local community safer, healthier and stronger by working to reduce the harms associated with the use of alcohol and other drugs. Their preventive work has a strong focus on alcohol as it is responsible for more community-based harm than other legal and illegal drugs. CDATs are aware that liquor licensing issues are a concern in many communities throughout NSW and they have responded to liquor licensing and development applications.

The Local Drug Action Team program (LDATs) is funded by the Australian Government and is partially based on the CDAT model. LDATs provide a platform for communities to develop evidence-informed social change projects that prevent and reduce alcohol and other drug harms and issues. LDATs align their local community action plans to broader social and health plans of local, regional or state authorities. LDATs typically include combinations of non-government organisations, community groups, local government, police, sporting clubs and health services. At present 70 LDATs are operating across NSW and 36 CDATs are affiliated with an LDAT in their area to enable them to amplify the community prevention effort. As with the CDATs, alcohol related problems are a focus for LDATs.

3 Alcohol's Cost to Health and Wellbeing

Alcohol is a leading cause of the disease burden worldwide as it is ranked as the sixth leading risk factor for death and disability globally [1]. A recent report found alcohol consumption led to 5785 deaths and 144,192 hospitalisations in Australia in 2015. [2] Alcohol is a causal factor in more than 200 disease and injury conditions [3] and it is responsible for 4.5% of the total burden of disease in Australia; it is the

leading contributor to the burden of disease males aged 15-44 and remained within the top five risk factors for males aged 45-64. Alcohol was the second contributor to the burden of disease for females aged 15-24 and was within the top five risk factors for females aged 25-64 years. [4]

Acute use of alcohol is implicated in much violence on New South Wales' streets and homes, in road traffic accidents, child maltreatment and neglect, lost productivity and costs to various service systems including law enforcement, justice, welfare and health systems [5]. Between 3 per cent and 11 per cent of all non-fatal workplace injuries have been attributed to high risk alcohol use [6]. The total cost of alcohol-related harms in Australia is estimated at more than \$15 billion per year – a financial penalty which is more than double the total annual alcohol tax revenue received by the Australian Government [7].

4 Current Review - Terms of Reference:

That the Committee inquire and report into Sydney's night time economy, including any measures required to:

- (a) maintain and enhance community safety;
- (b) maintain and enhance individual and community health outcomes;
- (c) ensure existing regulatory arrangements in relation to individuals, businesses and other stakeholders, including Sydney's lockout laws, remain appropriately balanced;
- (d) enhance Sydney's night time economy;

And any other directly relevant matters

The Joint Select Committee is seeking to assess the salience of key measures introduced by the NSW Government in 2014 to reduce the level of alcohol-fuelled, non-domestic, inter-personal violence in inner Sydney. The measures included a 1.30am one-way door (or lockout) in the Sydney CBD and Kings Cross; the service of last drinks at 3.00am; a freeze on new liquor licenses in the Sydney CBD and Kings Cross; a ban on takeaway alcohol sales after 10.00pm; the extension of temporary bans of 'troublemakers' from licensed premises; the introduction of a risk-based licence where the annual fee depends on license type, compliance record and opening hours; and the suspension of online RSA training. [8] Those reforms, which are associated with a significant reduction in violence in inner Sydney were relaxed (amended) in 2017 by extending the 'one-way door' period until 2.00am and extending the service of drinks until 3.30am.

The ADF believes the current licensing conditions provide for a balance between the recreational interests of individuals, the demands of the business sector and the interests of the public, including public safety and wellbeing. There is no case for a watering down of the successful liquor licensing reforms enacted by the NSW government in 2014. We think the Joint Select Committee should acknowledge the full findings of the previous review of 2016. The following comments are found in the Executive Summary of the Independent Review Report: [9]

"...the two Precincts at night were grossly overcrowded, violent, noisy, and in places dirty, before the Amendments, but that after them, they were transformed into much safer, quieter and cleaner areas."

"The statistics provided by BOCSAR and been reaffirmed by it indicate no significant displacement of violence to other precincts. Numbers of admission at emergency departments and doctors' own experiences confirm that."

“So far as both safety and residential amenity are concerned, there has been improvement.” (p9)

“The night time economy has many components ranging from symphony concerts to street stalls and prostitution and vans selling fast food.” (p5)

“As with much regulation, responsible non-offending people will be restricted in some respects.” (p5)

“The Amendments have come at a cost which is not quantifiable but which should not be exaggerated to employment, live entertainment and the vibrancy of the Precincts.” (p11)

“...such a relaxation [of the Amendments] carries the risk of greater density and consumption of more alcohol in the Precincts.”

This commentary by the independent investigator is a testament to the success of the 2014 trading hour reforms in lowering violence and improving the general amenity of Sydney CBD and Kings Cross; it also alludes to the exaggeration of the personal and social costs of the reforms by those with commercial interests to protect or promote and recognises that some faultless people will be inconvenienced in the public interest. The warning evident in the final comment regarding a possible return to more expansive trading hours for late night venues in inner Sydney is due to the link between the consumption of alcohol and levels of aggression and violence that gave rise to the reforms in 2014.

5 The Link between Alcohol and Violence

The consumption of alcohol is not a necessary or sufficient cause of violence, because many people who consume alcohol do not commit a violent act and people can commit violence without consuming alcohol. However, the presence of alcohol increases both the likelihood of violence and the severity of harms. [10] [11] [12] The psycho-pharmacological effect of alcohol on the brain and body plays a distinct role in facilitating aggressive behaviour. [13] As a central nervous system depressant, alcohol effectively sedates the subject and weakens the executive decision-making function, thereby impairing inhibitions and a range of capabilities including cognition, perception, judgment and coordination of motor skills [13]. At the same time, the drinker may become more confident, less inhibited by threat, less averse to taking risks and less able to identify risk. These effects are dose related, so as the drinker consumes a progressively greater volume of alcohol they are progressively more liable to act on impulse, to misinterpret words and actions, to respond with emotion rather than thought, and to respond and act in an aggressive manner [13].

Associations between drinking and the rate of criminal violence have been observed in several ways: these include epidemiological studies of whole populations, naturalistic observation, experimental research, interviews and surveys [14]. A study of violent offenders who were incarcerated within the US correctional system showed 40% had been drinking prior to committing the offence for which they were punished. [15] Alcohol intoxication is linked to increased aggression and severity of injury [16] [17] and up to 50% of violent offenders had consumed alcohol prior to their offence. [14] People who drink a greater quantity of alcohol, drink more frequently, and visit public drinking venues more often, face a higher risk of violence than people who do not partake of each of those activities. [17]

An Australian study of patrons leaving or entering licensed venues in five cities across the continent found that in 88% of self-reported aggressive instances, alcohol had been consumed by the aggressor. These instances included verbal, sexual and physical forms of aggression. The median level of consumption was nine standard drinks. Males were significantly more likely than females to be involved in an incident of aggression; male respondents aged 18–25 years were most likely to be involved in aggressive behaviours and males aged 18–19 were most likely to engage in physically aggressive behaviours. Over half (58%) of the instances of aggression were directed towards strangers [18].

6 The Nexus between Outlet Trading Hours, Alcohol Consumption and Violence

The evidence that an increased availability of alcohol through longer trading hours leads to higher levels of consumption and higher levels of harms such as injuries, assaults and drink driving is compelling. [18] When trading hours and days of sale are increased, the consumption of alcohol and the incidence of alcohol-rated harms both increase; conversely, when trading hours and days of sale are decreased, so too do the level of consumption and the level of harms [19]. The WHO Expert Committee on Problems Related to Alcohol Consumption concluded that “reducing the hours or days of sale of alcohol beverages results in fewer alcohol-related problems, including homicides and assaults”. [20] The prevalence of violence is most commonly associated with venues that close after midnight [21] or those in areas of a high density of outlets. In entertainment precincts that include licensed premises, violence peaks between midnight and 3.00am and is most frequent during the period known as ‘high alcohol times’ of Friday, Saturday and Sunday nights when entertainment precincts are busiest. [18]

Historically, Australian studies have confirmed the relationship between late and extended trading hours of hotels and nightclubs and violence. In 2001, alcohol-related assaults were most common between the hours of 9.00pm and 3.00am on Friday and Saturday nights. Hotels with extended hours or 24-hour trading recorded more assaults than venues with standard trading hours. [22] In Western Australia, Chikritzhs and Stockwell found significant increases in assaults and in impaired-driver road crashes were associated with the extension of hotel closing hours from midnight to 1.00am. [19]

The value of restricting the most expansive trading hours has been evident for a decade in New South Wales. Following public concern about violence in and around licensed venues in Newcastle over several years before 2008, restrictions were imposed on 14 licensed premises including the bringing forward of the closing time from 5.00am to 3.00am. [23] [24] Later this was modified to 3.30am with a 1.00am “lockout” applied to all 14 hotels. A formal evaluation that compared police recorded assaults in Newcastle to those in Hamilton, a nearby town that did not restrict trading hours, found assaults in Newcastle had decreased by 37%. [25] The number of violent assaults ‘saved’ numbered thirty-three and there was no evidence that the incidence of violence had been displaced to neighbouring areas. [25] A subsequent study five years later found the lower level of assaults in Newcastle had been sustained. [23]

7 The Effect of the Licensing Conditions Enacted in 2014

The licensing reforms enacted by the NSW government for inner Sydney zones in 2014 were designed to protect the health and safety of NSW citizens and visitors whose wellbeing was put at risk by the reckless and dangerous behaviour of people, mainly males, who were often severely intoxicated by alcohol. The danger was exemplified by the random and violent deaths of two young men, Thomas Kelly and Daniel Christie. [8] The new measures were a 1.30am ‘lockout’ (or one way door) in the Sydney CBD and Kings Cross; last drinks at 3.00am; a freeze on new liquor licenses in the Sydney CBD and Kings Cross; a ban on takeaway alcohol sales after 10.00pm; the extension of temporary bans of ‘troublemakers’ from licenced premises; the introduction of a risk based licensing fee for all venues and the suspension of online responsible serving of alcohol. [8]

A time-series analysis of results revealed immediate and substantial reductions in the level of assault in Kings Cross (by 32%) and in the Sydney CBD (by 26%) and there was no evidence of displacement of violence to neighbouring areas [26] [27]. Assaults in both precincts dropped after 1.30am, after the one-way door began to operate, and again, more substantially, after 3.00am. [26] Analysis of the data led

investigators to ascribe the impact on violence principally to the modified trading hours. [27] While levels of assault did increase around the Star Casino, where the interventions did not apply, the increases were not statistically significant and were far smaller than the decreases in assault in Kings Cross and the CBD. [26] A longer-term study of the impact of the 'lock out and last drink laws', 32 months after they were introduced, found the improved safety conditions were sustained as non-domestic assaults in Kings Cross were estimated to have declined by 49% and in the Sydney CBD by 13%. [26] This estimate represented 613 fewer assaults in Kings Cross and 553 fewer assaults in the CBD. While there was evidence of some displacement of violent incidents into neighbouring areas by that time, the number was outweighed by the reductions in Kings Cross and Sydney, so there was a net reduction in assaults over the 32-month period.

In a recent publication the Bureau of Crime Statistics and Research reported the level of alcohol-related, non-domesticated assaults in the Sydney local government area between 2012 and 2019 had declined by 23.5% and that the Kings Cross Police Area has experienced a decline in alcohol related, non-domestic assaults of 61%. [28] These results are consistent with earlier reported declines in attendances at emergency rooms of inner Sydney hospitals following the 2104 reforms: within twelve months, St. Vincent's Hospital in Darlinghurst saw a relative reduction of 24.8% in alcohol-related serious injury presentations [29] while in the subsequent two years, assault-related orbital fractures also declined. [30]

From the various data sources, involving routine police and medical information, it is not possible to conclude other than that the modification to trading hours of late night venues in Kings Cross and Sydney CBD from 2014 has resulted in a lower level of violence following reduced alcohol consumption in those precincts late at night. These findings are consistent with the international literatures on the psycho-pharmacological effect of alcohol on the brain which can facilitate confrontational responses to stimuli and aggressive behaviour, and the relationships between longer trading hours of venues, elevated levels of consumption of alcohol and on harmful outcomes, including forms of violence.

The evidence from these studies of Newcastle and Sydney is supported by the results of a meta-analysis of 21 studies of changes to trading hours in Australia, Britain, Canada, Germany, Netherlands, Norway, Switzerland and the USA. That study concluded that reducing the trading hours of late-night venues is second only to increasing the price of alcohol as an effective method of moderating violence and other forms of alcohol related harm. [31]

8 The Broad Night Time Economy

The regulation of the 'Night Time Economy', the period between 6.00pm and 6.00am, [32] is a global concern as cities across the world face the challenge of achieving an acceptable equilibrium for the competing interests involved in the Night Time Economy. [13] As the 2016 Callinan Review of the 2014 reforms noted, it would be mistaken to believe that only vendors of alcohol are the only or the majority stakeholder in the NTE; many other commercial businesses are contributors to a vibrant nightlife and may be damaged by a real or perceived toxic environment due to uncontrolled alcohol consumption. Other stakeholders in the night time economy are the patrons, who desire a right of access to late night services but who also want avoid preventable harm and remain safe; residents who want to enjoy urban life without unreasonable disruption and disturbance; police, ambulance, fire, and health and hospital staffs who attending to those injured or hurt within the NTE; and the general public who, as taxpayers, fund the regulation and control of the NTE, as well as funding the responses to problems generated by and within it.

A Deloitte report on the nature and future of the city of Sydney detected that the Night Time Economy now appeals to a broader demographic than young people as more businesses and attractions are offering services on a 24-hour basis. [32] Deloitte suggested there is a need to move the NTE away from a sole focus on drinking alcohol, which defines the night in negative terms, linking it to crime and conflict, to one that is more inclusive of sport, the arts and cultural activities, including cultural tourism, and appeals to a wider cross-section of the population, including families. This is the trend of 24-hour cities overseas and is the source of a wider and sustainable economic development. [32]

9 Conclusion

No person disputes that the acute and chronic over-consumption of alcohol is a source of personal and social disorder and turmoil. Nor does anyone dispute that the acute consumption of excessive volumes of alcohol within the Night Time Economy can have catastrophic consequences for the drinker and the unfortunate companion or bystander. Catastrophic consequences occurred regularly on the streets of inner Sydney prior to 2014 and were directly responsible for the changes to the licensing laws that are the focus of this inquiry. Given the evidence that the level of violent assault in Kings Cross and the Sydney CBD declined immediately, and has remained lower since 2014, no one should dispute that the licensing reforms have been successful and improve the safety and amenity of Sydney's Night Time Economy. We think it is a triumph of NSW public policy that the high levels of alcohol fuelled brutality that defaced the entertainment precincts of inner Sydney has contracted due to the licensing reforms of 2014.

We acknowledge the international trends for the Night Time Economy of large, creative cities to broaden beyond the narrow focus on alcohol related entertainment and to offer its citizens and visitors more imaginative and inspiring entertainment and attractions. We think the city of Sydney will be correct to venture down that path.

We see the four matters identified in the terms of reference as intimately connected and needing to be treated as one. The maintenance and enhancement of community safety and of individual and community health outcomes are fundamental to the 'enhancement of Sydney's Night Time Economy' as any conditions that lead to a diminution of safety and enjoyment could not be considered an enhancement; similarly, a situation in which community and individual safety and enjoyment is reduced must constitute a loss of equilibrium.

The ADF believes the Australian studies that analysed the changes of trading hours in Sydney and found they were successful in reducing the violence on inner Sydney streets, combined with the results of the international literature on trading hours, provides a compelling case for the retention of the current trading hours for licensed venues in Sydney.

The ADF hopes that the present licensing conditions will be continued so that Sydney residents and visitors can appreciate the nightlife of Sydney within a safer night time environment. Therefore, the ADF recommends that the Joint Select Committee endorse the present licensing arrangements for late night venues and resists any attempt to expand late night trading hours.

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