

**Submission
No 738**

SYDNEY'S NIGHT TIME ECONOMY

Organisation: NSW Young Liberals

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**Submission to the NSW Parliamentary Joint Select Committee on
Sydney's Night-time Economy**

The Need to Reform the *Liquor Act NSW (No.90)*

July 2019

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Dear Ms Ward,

RE: JOINT SELECT COMMITTEE ON SYDNEY'S NIGHT TIME ECONOMY

The NSW Young Liberal Movement is pleased to make a submission to the Joint Select Committee regarding Sydney's night time economy.

We understand the Committee is looking to strike a balance between limiting alcohol-related violence and maintaining a vibrant night time economy and look forward to Committee's report. The NSW Young Liberals believe that we need to change the incentives within our night time economy regulation to reward small businesses that seriously and effectively promote the safety of its patrons.

By way of background, the NSW Young Liberal Movement is the youth wing of the NSW Liberal Party of Australia and offers young people aged between 16 and 30 the opportunity to actively participate in the political process. As a movement, we are committed to policies and structures that affirm our beliefs in individual freedom and free enterprise. Currently lockouts in Sydney and surrounding precincts stifle the liberty of businesses and their patrons. Our members have overwhelmingly voiced their concern for the impact of the lockout laws on businesses and their patrons, with the following motion passed by Young Liberal Council:

The NSW Young Liberal Movement:

- 1. Commends the NSW Government for raising the small bar patron limit from 60 to 100 across the State in 2016 and extending trading times for small bars in the Sydney CBD and Kings Cross from midnight to 2am.*
- 2. Notes that Sydney's night-time economy is critical to its economy and future, generating more than \$3.64 billion in revenue each year and employing more than 32,000 people.*
- 3. Encourages the NSW Government to maximise the freedoms of small bars by further removing restrictions on opening hours, serving methods and staffing requirements*

As the largest centre-right youth movement in Australia, the NSW Young Liberals thanks you for taking the time to consider both our concerns about Sydney's night time economy and our suggestions as to how better regulatory arrangements can lead to greater outcomes for individuals, businesses and other stakeholders, namely Sydney's young individuals and business owners. If members of the Committee wish to further discuss the submission please contact me at [REDACTED] and [REDACTED]

Yours sincerely

Harry Stutchbury
NSW Young Liberal President

Introduction:

The NSW Young Liberal movement is committed to providing a platform for young people to be heard by their Government. At the heart of our movement is the belief that enabling young people to engage with policymakers is empowering future generations.

Here we will investigate the impact of the *Liquor Amendment Act 2014* and subsequent regulatory action on Sydney's evening economy, with a focus on how this has affected young people. We will show through empirical evidence, how these regulations have not enhanced community safety and health outcomes but rather created onerous restrictions on free enterprise and further disillusioned young people from their Government. We believe that the law should aim to achieve a reduction in the social and economic costs of alcohol-related violence, but without creating damaging burdens on businesses.

Summary of Recommendations:

1. **Repeal of prohibition on certain drinks during restricted service period.**¹
2. **Repeal of "Lock outs" for declared premises.**²
3. **Increased late-night train services.**

Problems with the "Lockouts":

Here we will examine the impact of the *Liquor Amendment Act 2014* on Sydney's night time economy and whether certain provisions have been effective in enhancing community safety and health outcomes or rather have just . Here, we will make the following submissions:

1. There is insufficient transport access from Sydney's CBD in the night-time on weekends.
2. Violent alcohol-related crime has moved from prescribed precincts in Sydney's CBD to other adjacent areas such as Newtown.
3. Service of certain drinks does not stop intoxication, this provision in the Act does not prevent anti-social behaviour.
4. The Lock-Outs have been a dampener on both the cities night-time economy and cultural vibrancy.

Our first submission is the recommendation that the Government increase train services out of the city on weekends, especially Friday and Saturday nights. Trains are essential to those travelling from outside the CBD and the current arrangements of night busses to not adequately address late night goers transport problems. The last train out of Sydney Central station on Saturdays is the northbound 1:53 T4 service (to Bondi Junction) and the southbound 1:13 T2 service (to Leppington). The only other alternative transport is infrequent night busses, whose services run on average every 45-60mins and are often overcrowded coming from the city late at night. This means there is a substantial disincentive for those living outside of CBD adjacent suburbs to journey to the city at night and many are forced to end their nights early in order to get the last train services. For those refused entry due to the 1:30 lockouts, they are stranded in the city for hours, without the ability to get home unless they use expensive ride-sharing or taxi services. Clearly, we can see that the current transport timetable does not support a vibrant nightlife in Sydney and allows for those potentially intoxicated to remain vulnerable on the streets for long periods of time. This is not conducive policy for a modern, vibrant, energetic world city.

¹ *Liquor Act 2007 (Sch4, C15(1))*

² *Liquor Act 2007 (Sch4, C13)*

As a young person, when going out to the city on the weekend we're faced with poor transport links, expensive drinks, aggressive security, early lockouts. Andrew Taylor's piece³ in the SMH earlier this month elaborated on some of the implications of this, offering perspectives from a variety of stakeholders, where the lock outs were described as "*created the ghost town*" "*archaic regulation*" "*stringent security... (leading to) an unpleasant experience*". The article investigates the phenomenon of underground raves, where young people have fled in recent years to escape aggressive security, draconian over-regulation and expensive drinks. Taylor said "*Partygoers said these parties and other underground events were safer than a night out in Sydney's CBD.*"

Another effect of lock-outs on people's social behaviour is preloading before going out, elaborated by Stuart Layt in his article⁴ on the effect of the Queensland State Government's lock-outs on the back of a collaborative study between Griffith University, QUT, and UQ. Key observations were that since 2014 there was a rise in patrons entering venues drunk, a drop in sober patrons and a movement towards starting nights out later.

Undoubtedly the Government's rationale for creating the lockouts was well-intended in regards to reducing assaults within the Kings Cross and CBD precincts, however longitudinal studies are now showing this policy has been ineffective in accomplishing this. Since 2014, there has been a 12% rise in assaults in lockout adjacent zones, and a 17% rise in areas such as Inner West and the Eastern Suburbs⁵. The disappointing fact is the Centre for Translational Data Science, has recently released a report⁶ investigating the impact on assault data before and after the lockouts were implemented. This report found that the lockout laws "*had no impact on the distribution of daily NDA's in the CBD.*" The Government must reflect on these harrowing conclusions, that the lockouts have severely damaged the operation and livelihood of business owners within the lockout precincts, with assaults not decreasing but rather increasing in areas outside the lock out zones.

Recommendations

1. Repeal of prohibition on certain drinks during restricted service period.

The restrictions on the ability of patrons to order certain drinks after midnight is a provision which does little, if anything at all, to curb risks associated with alcohol serving venues. The question which must be first posed regarding restrictions on the type and amount of drinks that can be ordered, is that, are the current RSA requirements for venues sufficient in allowing patrons to responsibly enjoy a night out?

As this Committee would be well aware of the RSA requirements, as mentioned in other submissions, I will not delve deeply into the precise requirements of this however, our argument is that the focus of these requirements on the prevention of intoxication and restricting service to inebriated patrons are sufficient in achieving a balance between personal freedoms and harm minimisation. We assert that any guidelines should focus on behaviour rather than beverage choice. Hence the question for the

³ Taylor, A. 2019. 'No creeps hitting on girls': Why Sydney's nightlife has gone underground. <https://www.smh.com.au/national/nsw/no-creeps-hitting-on-the-girls-why-sydney-s-nightlife-has-gone-underground-20190530-p51sy1.html>. Accessed: 25.06.2019.

⁴ Layt, S. 2019. Queensland lockout laws led to rise in 'pre-loading'. <https://www.smh.com.au/national/queensland/queensland-lockout-laws-led-to-rise-in-pre-loading-20190618-p51yvl.html>. Accessed: 25.06.2019.

⁵ Bureau of Crime Statistics and Research. 2017. The Effect of lockout and last drinks laws on non-domestic assaults in Sydney: An update to September 2016.

⁶ Centre for Translational Data Science, University of Sydney. 2019. Data-Driven Analysis of the Impact of the Liquor Amendment Act 2014 (The Lockout Laws) on Non-Domestic Assaults.

Government then becomes, if RSA is indeed able to strike this proper balance, is the strict restrictions on 'rapid intoxication drinks' necessary?

The NSW Young Liberals believe that the Government is able to achieve the intent of the Legislation, without creating unnecessary restrictions on consumer choice. The aim is to achieve a reduction in the risks to the community associated with alcohol consumption, however banning one type of drink does not stop patrons from consuming a substitute drink and thus the desired outcome is not achieved.

This is why, the NSW Young Liberals believe that unnecessary regulation is plainly unnecessary and if the Government must regulate the ability of people to choose freely, it must be done in order to get to the outcome in the most effective and positive way possible. We have shown that these prohibitions do not reduce alcohol related risks or harm, and thus must be removed.

2. Repeal of "Lock outs" for declared premises.

The NSW Young Liberals believe that provisions of the *Liquor Amendment Act 2014* is ineffective, onerous to the degree where it has caused many businesses to fail. The specific areas of *Liquor Act 2007* that we believe should be amended is:

1. *Part 4, Division 1A* - Licence Freezes in Prescribed Precincts.
2. *Schedule 4, Clause 3* - Lock outs for declared premises.
3. *Schedule 4, Clause 5(1)* - Prohibition on certain drinks during restricted service period for declared premises.

With respect to the *Liquor Amendment Act 2014*, the NSW Young Liberals does not oppose the prescribed precincts being required to use ID scanners, plastic glasses, or other provisions for declared premises. However, we believe that licence freezes are unfair, such that they prevent bars from updating their relevant licences to one which may be more suitable to their business model. Licence freezes do absolutely nothing in protecting the community or minimising harm. Licences should be fair, economical and allow venues to trade on the terms which serves patrons best. The rationale for the removal on the prohibition on certain drinks is given above in Recommendation 1.

To best examine why *Schedule 4, Clause 3* must be removed, it is important to look at the outcome that this would generate. For example, if this Committee was to follow this recommendation, and the NSW Parliament in turn repealed the relevant provisions, we submit that the following would happen. The first weekend of Sydney without lockouts, young people would take their weekly pilgrimage to the CBD and other central precincts, they would do as they always have done. Businesses would rejoice, hire more staff, extend trading hours. The people of this City would see Sydney returning to a vibrant, energetic city; a city without the constant reputation of being dead and draconian. More bars would open and replace the many businesses who have left empty shells behind, creating a potential economic boom in the current affected precincts. Sydney would continue to be a safe city for its residents and further achieve a successful balance between community harm minimisation and freedom of choice. Some may suggest that a repeal here would instantly make violent crime rise, however this is an utter fallacy as empirical data, as it has already been demonstrated the absence or presence of lockouts do not effect statistics on violence.

3. 24 Hour Train service on the weekend.

Sydney is an energetic and diverse city, a centre of Commerce and leisure, a destination many travel to globe to experience. In order for us to continue developing our city, we need a strong transport network to support the movement of people throughout the day and evening. As previously mentioned, the city has a lack of transport choices for those trying to get home from the city, namely from those precincts under the lockouts. The NSW Young Liberals believes that increasing train

services on the network to be operating on Friday and Saturday nights from the current circa 1:30am cutoff to operating 24 hours would greatly alleviate the risks associated with becoming stranded in the city late at night and allow vulnerable young people to be able to reach home without loitering around the streets.

Young Liberals and Friends:

The NSW Young Liberal Movement believes in the development of young adults by giving them a voice in the policy making of their Government. It is important to hear from some of the sentiments of the demographic who is most affected by the lockout laws. Although there is somewhat of a spectrum within Members around this issue, all Members agree that personal choice and freedom is a cornerstone of the movement. Too often are young people unable to influence policy choices which impact on their daily lives, too often does the Government skip consulting the generations which will deal with the long-term impact of current decisions. Thus, it is paramount to hear from some of the young people who have experienced the impact of lockouts on their nights.

The following quotes are from Members of the NSW Young Liberal Movement and other friends of the movement, who felt that they wanted their Government to hear what they had to say:

“The lockout laws are well intentioned, but poor policy. It has stifled the nightlife and allure of Sydney to the extent that it would be difficult to compare it to other truly global cities when the streets sleep a little past midnight. It has also pushed more reckless drinking culture where the lockout laws don't apply, funnelling traffic into areas such as Double Bay. The reduction of violence has merely been the result of drastically lower numbers of people in areas where the lockout laws apply, and has simply moved it areas where it they don't. It is therefore my opinion that the effects of this legislation, regardless of intention, be carefully re-examined in light of its undesirable outcomes.”

(Jason Howe- Paddington Branch)

“The lockouts have dramatically impacted the businesses within Sydney's CBD and adjacent areas. I have seen firsthand the impact that the lockouts have had, with the night-time economy losing millions of dollars and many venues being forced to close.”

(Laura Glase- Ryde Branch)

“I'm 19. I don't really know what it was like before lockouts. But I can tell you that, instead of fixing binge drinking, Lockout laws make the issue worse. Instead of slowly getting intoxicated over the night, young adults are getting dangerously intoxicated at around eight to nine PM, at which point they hop on a train or on a bus and go to the city. To be honest, I think that if Lockout laws aren't reviewed soon, the this could turn from mostly an economic issue into a big health and safety issue.”

(Arthur Kuan- Paddington Branch)

“The lockout laws aimed to decrease crime, however, whilst crime decreased in impacted areas it rose substantially in other areas. So, this policy not only failed to achieve it's objective, it also actively harmed businesses and Sydney's night life. Women feel no safer in the city now than they did 5 years ago.”

(Nicole Athaide- Campbelltown Branch)

“I finished school in 2013, I experienced the last two years of Sydney without the lockdowns. Since the regulations came into force I see a city now that is a shadow of its former self. The energy and life that once existed in the city is all but gone. The Cross is dead, half the venues have shutdown”

(Anon- Vacluse Branch)

“The current lock out law is reactive, illiberal, economically restrictive and needlessly interventionist. As someone who has worked in entertainment I know first hand the negative effects these laws have on our economy, with many pubs, clubs and theatres suffering financially. These laws must be repealed, as they hold Sydney back from being the international city it should be.”

(Riley Taylor- Mosman Branch)

“We are lucky to live in a city with so much opportunity, diversity and culture. We have world class services and products made here in the city and compete in any market, however our ability to participate in these experiences is undermined by the lockdown laws. The laws frequently dictate your decisions or choices and don't take into consideration the culture and community generated by a functioning night time economy. Finishing work later than usual voids any choice of eating out or socialising and celebrating an occasion is often cut short, it just feels like it's all going to waste.

(Alexander Lara-Watson- Epping/Eastwood Branch)

“I felt that Sydney's nightlife died after the Lockouts were implemented. Honestly it was a major factor in my decision to move to Melbourne a year ago. I just wanted a place I could go to study and enjoy being out with friends late at night, enjoying the culture of the city that I live in.”

(William Alexander- Friend of the YLs)

“Sydney is a Premier world city and is doing itself a disservice by not trusting its citizens to enjoy themselves responsibly”

(Dougal Cameron- Friend of the YLs)

“Hey there Delilah what's it like in New York City. Are the bars and clubs closed by I just like they are in Sydney”

(Anon- Friend of the YLs)