

REPORT ON PROCEEDINGS BEFORE

**JOINT SELECT COMMITTEE ON SYDNEY'S NIGHT TIME
ECONOMY**

SYDNEY'S NIGHT TIME ECONOMY

At Macquarie Room, Parliament House, Sydney, on Friday, 9 August 2019

The Committee met at 9:30

PRESENT

The Hon. Natalie Ward (Chair)

Legislative Council

Ms Cate Faehrmann
The Hon. Ben Franklin
The Hon. John Graham

Legislative Assembly

Mr Kevin Conolly
Mr Alex Greenwich (Deputy Chair)
Mr Geoff Provest
Mr Guy Zangari

PRIYA NAIR, Director of Intensive Care Unit, St Vincent's Health Network, Sydney, sworn and examined

NADINE EZARD, Clinical Director of Alcohol and Drug Service, St Vincent's Health Network, Sydney, affirmed and examined

ANTHONY GRABS, Director of Trauma, St Vincent's Health Network, Sydney, sworn and examined

STEVEN GEORGE FAUX, Director of Rehabilitation, St Vincent's Health Network, Sydney, sworn and examined

PAUL THOMAS PREISZ, Director of Emergency Department, St Vincent's Health Network, Sydney, sworn and examined

The CHAIR: Good morning, everybody. Welcome to the second public hearing of the Joint Select Committee inquiry into Sydney's Night Time Economy. Before we commence today I acknowledge the Gadigal people, who are the traditional custodians of the land on which we meet here at Parliament House. I pay my respects to elders of the Eora nation past, present and emerging, and extend that respect to other Aboriginal and Torres Strait people who are present or are viewing the proceedings on the internet today.

I declare this hearing open and welcome members in the gallery and people appearing as witnesses today. I welcome representatives from St Vincent's Health Network. I thank each of them for appearing today before the Joint Select Committee into Sydney's Night Time Economy to give evidence. I invite you to confirm that you have been issued with the committee's terms of reference and information about the standing orders that relate to the examination of witnesses at parliamentary inquiries. Can you just confirm that you have received that information?

Dr NAIR: Yes.

Associate Professor EZARD: Yes.

The CHAIR: Do any of you have any questions about that information?

Associate Professor GRABS: No.

Dr PREISZ: No.

The CHAIR: Thank you for the time you have taken to prepare a comprehensive written submission and provide that to the Committee. We are very appreciative of the time you have put into that, for meeting with us, and for the work that you have done for so long in this area, but particularly in relation to this inquiry. I apologise that we have limited time and a lot to get through. I invite you to make a short opening statement. Does anyone have one?

Dr PREISZ: It will be short. I thank the Committee for inviting St Vincent's, Sydney to participate in this important discussion. On behalf of myself and my colleagues I would like to acknowledge the Gadigal people of the Eora nation, the traditional owners of the land on which we gather, and pay my respects to their elders, past, present and emerging.

As the major tertiary referral public hospital and designated trauma centre serving the Sydney CBD and Kings Cross areas, St Vincent's was a leading advocate for the introduction of the suite of measures known colloquially as "the lockout laws" in January 2014. Five years ago the impact of alcohol-related violence and injuries on the hospital in terms of presentations and admissions was extreme. To use a phrase coined by my colleague Professor Ezard, pre lockout laws the constant flow of injured and assaulted from the entertainment precinct to our hospital was nothing short of "a conveyor belt of carnage". The high profile deaths of Thomas Kelly and Daniel Christie, victims of alcohol related violence, are the tragic events that the public remembers as triggering the laws, but there were many others. We saw those injuries that never made the news. There were casualties of vicious alcohol fuelled attacks. They had serious and life-threatening injuries, and many young lives were ruined.

Many of those individuals, their families and their loved ones live with the impact of alcohol-related violence and injury ongoingly. The enormous and ongoing personal and financial costs associated with those harms really deserve our attention. Since the changes were introduced, the number of alcohol-related presentations for severe intoxication to our emergency department have significantly reduced. The number of assaults and facial fractures managed by our reconstructive surgery department have been carefully documented. There are clearly far fewer cases. There have been no alcohol-related assault deaths from the Kings Cross precinct since that time—none. Our hospital's front-line services were once places of regular violence. There were threats and abuse towards

our staff and the actions of heavily intoxicated people made that a dangerous environment. Those workplaces are now far safer.

Our conclusion is that the measures were successful, and should be maintained. Many of those calling for the measures to be reversed seem not to remember the CBD and Kings Cross on a Friday or Saturday night five years ago. I am not sure how they would feel if they had spent time in our emergency department, our intensive care unit or our rehabilitation units prior to the lockdown laws. Our experience of the shocking impact of alcohol-related violence which was captured in our submission cannot be minimised. It was real. We saw it. It was devastating.

I have been at St Vincent's since 1982. I now run the emergency department, and the worst thing in my line of work is calling a parent in the middle of the night. I have to tell them that their child is critical and that they have been caught in an alcohol-related violent incident. I have to say, "I'm really sorry. Your child is with me and I can't tell you whether they are going to survive." I have had to make that call a number of times. There has been debate about the data. I can speak first-hand on what I and my peers see at the coalface. I can tell you that the reduction in alcohol-related harms has been profound. The facts on the ground do not lie. The sharp reduction across the spectrum in terms of injuries is very real. We have personal experience of that and we have data that clearly supports this.

St Vincent's has had a presence in the centre of Sydney for more than 160 years. We have always spoken up on behalf of, and about, our local community. We have no vested interest in this debate. We offer our perspective only as clinicians committed solely to protecting and enhancing public health and safety. So much of the commentary has been reduced to just opening more bars and selling more alcohol. A vibrant city is clearly about much more than that. It is our view that, if anything, accessible enjoyment and entertainment after hours is more possible without the threats of excessive alcohol and violence. When I hear arguments for selling more alcohol I wonder. This comes at a social cost. How much are we willing to pay? How many assaults and how many deaths are okay to make it worthwhile to have those establishments doing what they were doing five years ago? I just do not think there is a number that I am comfortable with.

In conclusion, we know the Committee will listen to a range of voices and opinions on these issues and will ultimately face some difficult decisions informing their recommendations. Above all else, we ask you to examine the evidence from our hospital, and from study after study, that for every hour alcohol is available for purchase there is a corresponding increase in violence. Based on this and other evidence, and personal frontline experience, St Vincent's and I believe that the case for maintaining these measures is beyond compelling. Thank you.

The CHAIR: Thank you, Dr Preisz. Are there any other opening statements or is that on behalf of—

Dr PREISZ: That is on behalf of St Vincent's.

The CHAIR: I appreciate that you have coordinated that. That is very efficient and effective. To each of you, and particularly Dr Preisz, I cannot possibly imagine how it must be to make one of those phone calls, let alone more than one. Thank you so much for the work you do. No disrespect; I hope I never get a phone call from you.

Dr PREISZ: I hope I never have to make it.

The CHAIR: I am not making light of it. What you do is very important. Thank you.

Mr ALEX GREENWICH: Thank you, St Vincent's, for your detailed submission. As the member for Sydney I express my gratitude for the work that your institution does to support people across Sydney and across New South Wales, particularly the vulnerable groups that you look after. I also acknowledge the point made in the opening statement that although much of the focus was on the two very tragic cases of Thomas Kelly and Daniel Christie that the issue was always much broader and that your emergency unit was running around the clock, overnight, dealing with a whole range of issues and at times that would mean that service was delayed or denied to other groups just because you were so busy. I affirm that statement as well.

In the submission from the Potts Point Partnership there was a confusing statement made and I want to seek some clarity. They seemed to attribute some of the issues around antisocial behaviour or issues currently around lack of nightlife in the Cross to the medically supervised injecting centre. They do not provide any evidence for that—it is more of an assertion. As a close partner with the medically supervised injecting centre I wondered if you could comment on that.

Associate Professor EZARD: That is an interesting question and an interesting correlation but I think if you look at the history of the establishment of the medically supervised injecting centre it was done so precisely to improve the amenity of the area. The community was concerned about public injecting by young people and

the discarding of used needles, syringes and other injecting equipment. The medically supervised injecting centre actually improved the amenity and the safety of the environment according to many of the people who were working and living in the area. There is a residual group of people who remain opposed to the existence of that centre but it has been there quite a long time now and I think we can attest to the improvement in the amenity of the area but also to the lives of the people using that service. We know that many, many overdoses have been reversed because of the access to treatment immediately on site. I think that is an interesting point to bring up in the context of a discussion around safety in the Kings Cross area in general. That is probably an example of something that worked rather than did not work.

Mr ALEX GREENWICH: Great. As I said, it was for me a confusing statement with no evidence whatsoever to back it up. Obviously also, as acknowledged, this Committee will be dealing with a number of difficult questions as to getting the balance right and how we can support a diverse nightlife. I really appreciate that St Vincent's is prepared to continue to work with government and with us towards that. That is all from me.

The Hon. JOHN GRAHAM: Thanks for your submissions. They have been both comprehensive and helpful. Following on from the previous question, can you give us some sense of what the balance is here between alcohol and drugs in causing these issues? In the public discussion often those two things are being discussed in the one breath. What is St Vincent's view when it comes to what you are seeing through your door?

Associate Professor EZARD: We know that people are consuming illegal drugs at the same time as consuming alcohol in a nightlife setting. Often drug use and alcohol use go along together. So when we see a reduction in access to the opening hours or to the number of people consuming alcohol throughout the evening in combination with some of those other drugs then we see an overall reduction in presentations to the hospital. We know also from data that looks at violent episodes in emergency departments that there was some data that was collected in the last so-called ice epidemic—the last time we were really concerned about amphetamine related presentations to the emergency departments—and when those episodes were looked at closely alcohol remained the strongest cause of that acute severe behavioural disturbance that was happening in the emergency departments. Whilst we acknowledge there are multiple drugs being used by many people, alcohol remains the most prominent drug and often in combination with some of those other drugs. If we do something about that concentration of people consuming excessive amounts of alcohol throughout the night then we see across-the-board reduction in harm presenting to our acute and our chronic services.

The Hon. JOHN GRAHAM: On page 33 of your submission there was a figure which I had not seen any reference to before or much research about just talking about the impact in a residential setting:

... for every 10,000 additional litres of pure alcohol sold at a packaged liquor outlet, the risk of violence experienced in a residential setting increases by 26%.

I do not know if you can give us any more background on that.

Associate Professor EZARD: Are you talking about packaged liquor sales?

The Hon. JOHN GRAHAM: I am referring to your submission talking about packaged liquor sales.

Associate Professor EZARD: What we know is the majority of alcohol is being consumed in home environments or environments not always in pubs and clubs across the State—not just talking about the Kings Cross area. The Bureau of Crime Statistics and Research [BOCSAR] data demonstrates that a reduction in alcohol sales from packaged outlets has significantly decreased the alcohol related assaults and domestic violence in the home. While the data on packaged outlets is not as strong as licensed venues, internationally there is still some evidence from countries such as Switzerland and Germany that strongly suggests that reducing the availability of packaged alcohol throughout the night has marked decreases in presentations to hospital, particularly for young people, with alcohol related problems.

The Hon. JOHN GRAHAM: You have talked about Kings Cross and what was happening night after night. To what extent was Oxford Street contributing to what you were seeing through the doors at St Vincent's?

Dr PREISZ: We saw some patients from the Oxford Street area but it was a different environment. We had somehow created this micro-environment in the Kings Cross area specifically and there were many factors including the density of people, the transport options, the nature of the venues themselves that meant that that was a very special case. A lot of people went to Oxford Street and there were some patients but it was completely different when we were looking at Kings Cross—that was an environment.

Associate Professor FAUX: In a study that we did on pedestrian accidents associated with alcohol we found that they were more commonly coming from the Oxford Street area than Kings Cross because of the concentration of bars along Oxford Street and also the fact that there was less foot traffic there and more vehicle traffic.

Associate Professor EZARD: On that, when we talked to our colleagues in the local area command during the heyday of the Kings Cross entertainment precinct one of the issues they were concerned with was that the clubs could only hold maybe 9,000 or 10,000 but there were another 30,000 or 40,000 people in the street. That was also contributing to the issues that we were seeing. It is the availability of alcohol, the opening hours and the density of the outlets that evidence suggests combined to increase harm related to alcohol.

The CHAIR: That is a very comprehensive answer. Thank you.

Ms CATE FAEHRMANN: In Monday's hearing we heard a fair bit about the changing drinking culture among young people—that people tend to be drinking less. I think the data is showing this amongst young people. Apparently people tend to be binge drinking less and their choice of alcohol is different. I want to get your perception of that from your experience on the front line. Is that what you are seeing as well in, let's say, people under 30?

Dr PREISZ: It is hard to answer because we do not specifically collect all the data that we should to answer that fully. We still see significant numbers. I cannot give you actual figures and percentages here but there is some movement towards reduced alcohol consumption. I am not sure what the actual numbers are, I am sorry.

Associate Professor EZARD: NSW Health does collect emergency department alcohol-related presentations by age, so it would be good to look at that data. I do not have them here.

Dr PREISZ: We don't have them here, I'm sorry.

Associate Professor EZARD: We can ask our colleagues at NSW Health to present that. What I have observed in that data is a closing of the gap between young women and young men. Previously more young men presented to emergency departments with alcohol-related injuries. We are seeing that the gender differences are really going away.

Ms CATE FAEHRMANN: Has that been happening for sometime?

Associate Professor EZARD: It has been a gradual change, yes.

Ms CATE FAEHRMANN: The lockout laws have been in place for five years now. We all know Kings Cross is now a very different place to what it was five years ago, largely as a result of those lockout laws, the changes in tenancies and what have you. If the lockout laws were repealed within a few months, for example, with various measures put in place, can you imagine Kings Cross going back to what it was in 2013?

Associate Professor FAUX: The focus of Kings Cross was strip joints, drugs and alcohol. That is why people went there. It was an entertainment area that focused on those three things. The strip clubs are still there. There is still access to alcohol. Whilst I agree it is more gentrified, in terms of the residential areas, I still think the strip would attract people. I do not see why it would not. One of our problems was that it was a concentrated area. People would go there and whether there was 30,000 or 29,500, it was always a powder keg. Whilst it continues to be a red light area, whilst it continues to have attractive bars and clubs, I do not think I have completely changed in terms of its drugs culture.

Associate Professor EZARD: We can speculate on a lot of things but we need to bring it back to the evidence. We know that for every increased hour of sale, we see a corresponding increase in assaults and harms occurring as a result of that. The data is pretty strong from places such as Norway and Amsterdam, where they have experimented with increasing the hours. We have data strongly showing that decreasing the hours of sale, decreases violence. We also have data showing that increasing the hours, increases the violence. That would be my extreme concern. If we saw a repeal of the hours of alcohol-trading hours with trading hours becoming longer, we would need to be prepared to look at the consequences. Referring back to the comment from Dr Preisz, do we want to accept another death or another harm as a community?

The Hon. BEN FRANKLIN: In terms of the discussion about Kings Cross and whether it has changed forever, one of the points that you made, Dr Preisz, was about transport options. We have taken quite a lot of evidence about the fact that the transport situation has changed extraordinarily in the last five years, with the rise of rideshare and taxi apps and so forth. Do you have any comments about the impact that will have in terms of the critical dispersal so that you do not get the powder keg situation?

Dr PREISZ: We had a complex environment. There were many factors involved in creating that unique environment. What happened was terrible. The result of all those factors was a lot of violence. There was clearly a problem there. The change that happened was remarkable. It was immediate; we saw it straightaway. It was real. What is most worrying is that when you change any factor, you cannot predict the outcome. The improved transport might be enough to ameliorate some of the harms or it might not. We are scientists and we believe that before making a change you should have good evidence that it is a safe thing to do. I cannot predict whether

improved transport would be enough to prevent that environment rising up again. That is a real problem. We know what alcohol sales and consumption would do to the environment. It is unclear whether improved transport would be enough to offset that.

Mr KEVIN CONOLLY: Professor Ezard, you said that for every additional hour of alcohol sales, there is a measurable increase in violence leading to hospital admissions?

Associate Professor EZARD: Hospital presentations. That is correct.

Mr KEVIN CONOLLY: That gets me back to a question I have asked in another context. Do we know which of the suite of measures that were introduced in 2013-15 has been the critical and operative one?

Associate Professor EZARD: That is the critical question. I do not think we can tease out from the available data for this particular suite of measures which of those elements was more effective than any others. We know from international data that the two most important elements are outlet density and the hour of sale of last drinks.

Mr KEVIN CONOLLY: Which would suggest in this context that the 3.00 a.m. last sale was the critical one, or at least the one which you have international evidence suggesting it is the critical one rather than the 1.30 a.m. lockout. Do you have a local feel about how the 1.30 a.m. lockout has contributed?

Associate Professor GRABS: We do know that the 1.30 a.m. lockout changed the way that people were in the Cross after 1.30 a.m. Before that time, I used to come to the hospital and would avoid the Cross area when I was driving because it was so crowded. We had huge numbers of people amassing around a small number of clubs, spilling out onto the street and they were all a bit intoxicated. When you put a whole lot of people into that scenario, little fights break out and things get out of hand. That 1.30 lockout law changed the crowd characteristics after 1.30 a.m. You can still go to the Cross. We have not stopped life in the Cross. You can still drink until 3.00 a.m. in the Cross. I think the measures taken by Barry O'Farrell were quite measured.

It seems like maybe there was a cultural shift happening already; I am not too sure. But as a preventative aspect of what we do in health, the Government had an opportunity to have a preventative measure. That preventative measure worked. Seatbelt laws worked. We stopped road deaths in 1970. We do not repeal seatbelt legislation because we are going at less than 60 kilometres per hour. We feel strongly about changing laws that have effectively increased community safety. Unless we have very good evidence, if we change a preventative law, we are going back to something that is untested; we are going back on our prevention. We are trying to save lives and reduce the effects of alcohol on these people. I felt terrible seeing young girls vomiting outside the emergency department at our hospital. I do not see that now.

Maybe it has spread out to other areas. But I speak to all the other trauma directors around the State. They have not seen huge increases in alcohol-related violence. Is it because people are drinking in a more responsible way? You would think the Coogee Bay Hotel would be a place where lots of things go wrong. Maybe the management is controlling things well. But it was very uncontrolled in the Cross. There was no-one there to control what was going on. We have this preventative measure; it has worked. We feel, as clinicians, we really need to support that.

Mr KEVIN CONOLLY: You are part of a network of hospitals. We have talked about the displacement effects of these measures. What do your colleagues in neighbouring hospitals say?

Associate Professor GRABS: Everyone says: Everyone has gone to Newtown and there is a huge increase in violence in Newtown. The Royal Prince Alfred Hospital doctors tell me, no. Everyone says: Well, St Vincent's is quiet now and they have all gone to the Coogee Bay Hotel or the Double Bay Hotel. Surprise, surprise, we are the drawing point for all of those areas. We take the Coogee pub, we take the Double Bay—we take all those areas. We have not seen violence coming from those areas. It seems to be the Cross was the problem. The high density of alcohol outlets, the high number of people and the uncontrolled things that were going on in the street. We have prevented that and I think we have saved lives.

Associate Professor FAUX: One of our draining hospitals is the Royal Rehabilitation Centre in Ryde. It takes all our traumatic brain injury. Since the lockout laws, it has seen the number of people admitted to their hospital have decreased dramatically. They also drain from Royal Prince Alfred and Prince of Wales. They have not seen their numbers from those hospitals suddenly change.

The CHAIR: You mentioned that, in relation to Kings Cross, it was the nature of the venues themselves and the nature of the Cross—the concentration, the transport challenge, the bars, the people spilling out and the pedestrian issues. I wanted to ask whether you consider it a different type of area to other areas? That is, the lockout laws, or the suite of measures colloquially known as the lockout laws, went across the great area—the

CBD, Oxford Street and Kings Cross—so they are three distinct areas, I think we all agree on that, and they have slightly different arrangements and success or not.

Do you think—and I do not expect you would agree that there should be any change whatsoever—but if there were to be a trial, that is the one of the things that has been suggested to us, is that something that might be inappropriate in the Cross? Perhaps somewhere less concentrated, such as the CBD, for example. The light rail will be opened and it is a less concentrated area. Would that be an area that you think, given the less concentration, might be appropriate for a trial? I totally accept if you say, "No, we should not have a trial at all", but do you think it is the nature of the area that can do this?

Associate Professor EZARD: Amsterdam went through similar experiments and they did increase trading hours in some areas and not others, because Amsterdam is an international city. They saw a 34 per cent in hospital presentations in the areas where the trading hours were increased. That would be the risk of such an experiment, I think.

Associate Professor GRABS: You talked about the light rail; that worries me a little bit—people in the CBD having too much to drink and stepping outside where they have been and the light rail comes along and takes them off. We have to have very good safety measures associated with these sorts of incidents. We do not know what will happen with the light rail, with safety and that is something we have not explored. I would be very cautious about increasing the amount of alcohol in the CBD, potentially, with the effect of the light rail. We certainly do not want to see any light rail injuries.

The CHAIR: Yes. Just another question, then I will get to my colleagues. With the suite of measures that are in place, in your experience, are there other things that could be done? For example, the Thomas Kelly Youth Foundation—we will hear from them later—where they have a TAKE Kare arrangement where they go out and they have tents, they have water, they have chairs and they call you guys when necessary. Do you think things such as police vans, more police presence—could you comment? I know it is not your area of expertise, but could you comment on other measures you think might work?

Dr PREISZ: There are so many factors that go into an environment and so many ways you can adjust that environment to try and make it a safer and better place, but the problem is many of those are just unknowns. The one known thing we have is that the availability and sales of alcohol directly correlate with violence. That is the one known factor that we actually have really good evidence on. All of those other factors—more police, better transport, changes to the size or nature of venues—all of those are unknowns. It would be very hard to predict the outcomes of those things. I am very familiar with the Thomas Kelly Youth Foundation's work and I think they do a great job, but, to some extent, they are a workaround; they are a way to try to compensate or cope for things that come up. I do not think we could see them as the cure or preventative measure in that way.

Mr GUY ZANGARI: Thank you very much for coming in and thank you for allowing us to come to talk to you at the table a few weeks ago. I would like to focus on alcohol harm reduction policies, in particular, and the community at large, as to attitudes towards the consumption of alcohol; and whether or not, in your opinion as clinicians, we still have the mentality of too much, too quickly as a nation? Could you comment on that? As well as thinking about a diverse night-time economy from St Vincent's point of view and offerings to get people to live music, to food and to retail?

Dr PREISZ: We support the idea of a night-time economy. In fact, we believe that, by reducing danger and potential harms and violence, that that actually encourages and fosters a diverse—something that people would find special and great about Sydney. I do not think we would want anyone to have the impression we do not support the idea of a night-time economy. There are many things that could happen. A changing environment might well lead to changes in the way businesses and entertainment venues present themselves and what they do. That is quite likely. We hope that is what will happen, that there will be a night-time economy, but it would be a safe night-time economy. The fear that we have is that huge amounts of alcohol being sold, turning back the clock to where we were, might recreate the environment that we had before, which was a night-time economy, but not a safe one. It was a dangerous and violent place.

Associate Professor FAUX: We certainly support improvements in infrastructure and all of the things that you have mentioned, such as travel, security—a lot of the bouncers in the Cross are not properly trained—and access to food and shopping, such as was suggested in the CBD. You have to have that infrastructure in place before you open the gates with respect to access to alcohol. No Australian can properly say that we do not have enough access to alcohol. You can buy it in every supermarket. You can actually pay for people to deliver it. Early opens open at 5.00 p.m. Surely we need to look past the access to alcohol as attached to the improvement in the nightlife in Sydney.

When I did research on head injuries in our department I was criticised internationally because at St Vincent's there was a disparity with the number of head injuries caused by assault. Internationally, the causes of head injuries are falls, motor vehicle accidents, sporting events and, later down the level, are assaults. At St Vincent's it is the second most common cause of incidents of head injuries. When I did a repeat of that study in Montreal, we found that the number of head injuries caused by assaults in Montreal—also a fantastic international city with a magnificent nightlife—was around about a quarter of what we had been seeing. So even when you talk about a trial, there are so many impacts of head injuries that are not captured in the trial.

Hospital presentations are one thing, but to sit across the bedside from a family and say, "This chap might walk, he might talk, but he is never going to work again". Watching the eyes of a fiancée realise that their personality had changed forever, or asking the parents, "Who will stay with them for the next six weeks or six months before we can organise proper treatments and return to normal function", and watching the families when you say, "He is never going to return to sport". In our country we have a different attitude to concussion on the sporting field or in the military areas. We see that as very serious. We give people time off. It hits the papers if one of our greatest sports players has a significant head injury. But our answer to our own young people getting head injuries is to turn up the alcohol. I cannot work it out.

Associate Professor GRABS: Something I would just ask Dr Nair to comment about: How many craniotomies—and craniotomy is where we take bits off the skulls—pre-lockout versus post-lockout and what the influence in intensive care was?

Dr NAIR: As Tony says, we see the serious, pointy end of it because they come to intensive care if they are really that bad. If you have really high pressure in your brain from a bad head injury, that is what happens: A piece of the skull is taken out to allow the brain to expand. That was happening really frequently in relation to the assaults that we used to see. Since the lockout laws, it is a huge difference and it has such a big impact on the patient in the long-term. So they survive the head injuries, because the pressures were reduced—otherwise they would have died at the time—but taking out bits of the brain distorts the whole anatomy of the neurons and the long-term impact is massive. So although we have to do it to keep them alive, we have created many patients out in the community who could never work again, some never walk again and those are things we are not seeing any more since—

Associate Professor GRABS: The lockout.

Dr NAIR: It is really quite profound.

Mr GEOFF PROVEST: First off, I would like to thank you for your commitment to the community, for the great work that you do and for your submission. A lot of my colleagues have asked questions I had, and you have answered those questions. I was going to take another tack: Considering the compelling evidence in relation to the sale of alcohol and that extra hour, should we not look at reducing that 1.30 a.m. to 12.30 a.m.? I was just seeking your views.

The second part of my question is—I was a licensee in a previous life—I see from your evidence today, as you know, this Committee has had a lot of presentations saying that, "We have cleaned up our act, we are doing things a lot better, and they were the bad old days and now we are in a day"—I see a real role, do you see a real role for St Vincent's in the future to actively engage in harm reduction with alcohol consumption? At the moment, watching the media it is a lot of price-driven stuff. You know, you guys get involved when it is really there and I see a role with you. We have had licensees in here saying, "We offer free water, we've trained up our staff. Since we've done that everything is pretty good." The real hard evidence that you people can provide. There are two parts, first to reduce that ...

Associate Professor EZARD: Reducing that? First of all, I think the evidence is pretty compelling—decrease the hours of sale, decrease the harm that comes from that. A discussion about what that last hour—what that cut off point is—is one that is worth having as a community.

Mr GEOFF PROVEST: How do you manage it? With every trial there is a risk.

Associate Professor EZARD: Yes, and I think this is where community consultation is really important to work out which measures are the most effective, based on the evidence, and which measures are really unpopular—from a range of different sources of information, such as people going out into the night-time economy and teasing out various vested interests in sale of the alcohol. We know that most alcohol is sold after midnight. So, there is a lot of vested interest in continuing the sales beyond midnight. As a community, making a decision about what that cut-off is, is a balance because it could be argued that it is already too late, not too early, and that we should actually be making it earlier. So that is a discussion that I really think should be on the table. Regarding harm reduction that was a fabulous question for me, so thank you for asking it. I am an addiction medicine physician and we work in the emergency department and try to speak with people in those moments

when they present with an alcohol-related injury to talk about ways to reduce drinking and ways to reduce the harm from drinking. We also run services for people with alcohol use disorders at the very severe end of dependence.

We know that the majority of alcohol is consumed by people who are drinking above the levels that are recommended by the Australian Government—unsafe levels. Most alcohol is consumed by people who are already consuming too much. So, there is a lot to be done in that space. That is where we work with people who come to see us clinically and also try to work in that space with primary care physicians and getting general practitioners to do more in that space as well. There is the additional work around policy—what can we do at a policy level to reduce harms related to alcohol? I think this is one of them.

Mr GEOFF PROVEST: I think that the industry has matured and would be willing to engage. As I said, we put safety belts in dangerous cars to make—

Associate Professor EZARD: But one of the big harm reduction measures is minimum pricing per unit of alcohol and there is very strong evidence that increasing the minimum price per unit of alcohol decreases the harm.

Mr GEOFF PROVEST: It did not work with alcopops. Remember the premixed ones?

Associate Professor EZARD: The legislation was reversed—

Mr GEOFF PROVEST: They increased the tax on those.

Associate Professor EZARD: But that particular measure was then reversed. We can look to recent changes in the Northern Territory where they have introduced a minimum price. That is a very interesting process that we would like to see explored in other jurisdictions as well.

Mr GEOFF PROVEST: You would be willing to work with the industry in alcohol harm reduction?

Associate Professor GRABS: I think any doctor and certainly our hospital would be happy to. Any area of prevention is very important. It is better to prevent a problem than have to try to treat a problem because it is much more expensive to treat. This is an area that Professor Ezard and our hospital would be advocates for—for drug overdoses, for lots of addiction type areas. It is a very important area. We will look at every possibility to help harm reduction in the consumption of alcohol.

Dr PREISZ: Just briefly, the emergency department has taken on a public health role as well. We will collect information about drinking on all patients who present to emergency so that is more than 50,000 people a year and we provide feedback to licensees. We are involved with a number of other hospitals in a project that is aimed at giving that information to licensees, which does help them. So we are working with industry in that way. We have recently published a trial looking at exactly that information and how we work with licensees. Professor Ezard and I are both involved in the trial already.

The CHAIR: Can I ask, is that ongoing?

Dr PREISZ: Yes, it is ongoing right now. So every day, every patient who presents to our emergency department is asked whether they would be willing to give information to be involved in this aspect of public health. We collect data on whether a patient has had a drink in the past 12 hours, where they bought that alcohol, how much they drank and so on.

The CHAIR: So you know where they have come from?

Dr PREISZ: We identify where some feedback needs to be given to licensees and that is provided.

The CHAIR: To the licensee?

Dr PREISZ: Yes. We are involved in that already.

The CHAIR: What is the structure of that and how often do you speak to them?

Dr PREISZ: It is a multi-centred effort that is being coordinated through Deakin University and I think there are currently seven or eight large institutions involved, of which we are one. For more than a year now we have been collecting the data and providing the information. It has already been published in journals. Within the last two months we had a publication on this, so it is freely available. We do not name and shame the venues but we provide the information, which is then fed back to them.

The CHAIR: Back to the specific venue?

Dr PREISZ: Yes.

The CHAIR: Thank you. We are going to have to finish up.

Mr KEVIN CONOLLY: Can I ask one supplementary question?

The CHAIR: Yes. I also ask if you mind taking the question on notice about Deakin University so that it can be provided to Committee members?

Dr PREISZ: Of course.

The CHAIR: I am sure we will have additional questions and we will provide those to you in writing.

Mr KEVIN CONOLLY: Mr Geoff Provest made a reference to something a publican told us about providing water to people throughout the night proactively. In your view is that an effective measure to reduce intoxication?

Associate Professor EZARD: Drinking less is an effective measure. So if that means that people are alternating their alcohol consumption with a glass of water then yes, they are drinking less and it will therefore reduce intoxication.

Mr KEVIN CONOLLY: But having water in itself not particularly so?

Associate Professor EZARD: In addition to the alcohol it will not make a difference, no.

The CHAIR: Thank you. Members we will have to finish there. I thank the witnesses very much for their attendance today and the time that they have put into the preparation of their submissions and the further information that they will provide to us. The Committee has resolved that answers should be provided within seven days—we are trying to keep this efficient and to our timetable so it would be appreciated. Those replies will form part of your evidence, are you happy to provide that as part of your evidence?

Associate Professor EZARD: Yes.

Associate Professor GRABS: Yes.

Associate Professor FAUX: Yes.

Dr PREISZ: Yes.

The CHAIR: Thank you, we very much appreciate your work.

(The witnesses withdrew.)

JOHN CROZIER, Royal Australasian College of Surgeons Councillor and Royal Australasian College of Surgeons Binational Trauma Chair, Royal Australasian College of Surgeons, sworn and examined

PETER AQUILINA, Australian Medical Association New South Wales Councillor, Australian Medical Association (NSW) Ltd, affirmed and examined

KEN LOI, NSW State Committee Chair, Royal Australasian College of Surgeons, affirmed and examined

MICHAEL THORN, Chief Executive, Foundation for Alcohol Research and Education, NSW/ACT Alcohol Policy Alliance, affirmed and examined

PAUL HABER, Specialist Addiction and Director, Royal Prince Alfred Drug Health Services, Royal Australasian College of Physicians, affirmed and examined

The CHAIR: Thank you, and thank you for the comprehensive written submissions that have been provided to Committee members prior to today. We have had the opportunity to look at those and we appreciate that very much. Do any of you have a short opening statement you would like to make before members address questions?

Dr AQUILINA: I am representing the New South Wales Australian Medical Association branch. Apart from that, I have a particular interest in alcohol control because I encounter alcohol-related violence pretty much every time I am on call. I see the devastation it causes to patients, but also to nursing staff, the paramedics and the medical staff that have to mop up the mess afterwards. So it is not an abstract concept for me and my colleagues. It is not a set of laws that we think about; it is the young man sitting in the emergency department, bent over because he cannot close his mouth, and he is dribbling blood and saliva over the floor. It is the young woman who has been punched in the face and lost her front teeth, and now she has to—besides the acute trauma—try and find out some way to have expensive dental treatment to restore her to some semblance of normality. It is the patient who is blind because he has been punched in his eye socket and his eye socket is in multiple pieces and that is impacting him for the rest of his life. And last but not least, it is the young man who is taken from his family because he has had a coward's punch and he has fallen over and has got traumatic brain injury—and, equally as bad, the patient that has got a traumatic brain injury and then his family and society have to support him or her for the rest of their life. So it is a concrete thing for us.

The lockout laws have achieved exactly what they were designed to do. They have reduced the level of violence and they have also reduced the acuity of injuries that we have been seeing. They have been overwhelmingly successful; I do not think we can reiterate that too much. They are so successful it is a bit like vaccination. People forget what smallpox was like and people are starting to forget what the Cross was like before the lockout laws were here. I was a young surgeon at John Hunter Hospital up in Newcastle before the trial of lockout laws up there was introduced, and I was there afterwards, and it was like night and day. It was like somebody had flicked a switch and all the alcohol-related trauma coming into the hospital on a weekend especially just drained up. Before the lockout laws up there, it was a bloodbath on Friday and Saturday night. It was just horrendous; it was like a war zone. The same thing has happened in Sydney. We have heard from my colleagues at St Vincent's Hospital just then. They have had exactly the same effect from the lockout laws there. We have gone from a time when people were dying to now to a time when people are not dying.

So the fact that people are thinking about reversing or watering down these laws is something that we, as doctors, find very strange. They have had a major positive effect on human health and they have also reduced the amount of time and effort and cost that has gone into treating the effects of alcohol violence. We want to stress that we do not think that these laws are incompatible with a vibrant nightlife. I think the reasonable laws at the moment allow people who want to have a drink at three o'clock in the morning to have a drink at three o'clock in the morning. But they have also introduced checks and balances that have had extremely positive effects on the incidence of violence.

The other thing to think about is the opportunity costs that we encounter. We know that our emergency departments are overrun. We know that at the moment it is probably not sustainable, the degree of increase in presentations that we are getting to emergency departments. So every patient that we can prevent turning up to the emergency department for a preventable injury is an incredible bonus to the hospital system as it is. Hospital beds and theatre slots are very precious; they are hard to get. Every time I take someone to theatre to fix their facial fractures at night after hours, somebody gets bumped. That might be your elderly relative with a hip fracture that has been waiting for a week to get that done. Because these injuries are more acute, they get precedence and that patient has to wait. Every time I take someone to theatre to fix their facial fractures in hours, on my regular list, it means that there is a pretty good possibility that I am going to cancel someone or postpone someone. That is often someone who has got facial deformity, who has been waiting for weeks or years for surgery at the cost of

school and work. So there are big flow-on effects from this. We think that these lockout laws, in light of that, are not just an important safety measure; they are an incredibly important example of preventative health and we think they should stay.

The CHAIR: Thank you. Any other opening statements?

Professor HABER: I am a consultant at Royal Prince Alfred Hospital. In our hospital in the evenings in the emergency department, maybe one-third of the patients who attend the emergency department are there because of alcohol-related problems, whether it is—

The CHAIR: Did you say one-third?

Professor HABER: One-third—published data from 20 years ago and replicated reasonably recently. That kind of statistic echoes across the country. Again, knock-on effects: look at the line in the emergency department and reduce the presentations by one-third. The line of people waiting to be treated pretty much would disappear. It is not, of course, just merely that; it is the broad effect of alcohol on health. It is across more than 200 diseases. It is an extraordinary list of problems, from the liver, stroke, infarcts—you know, heart attacks—damage to the nervous system, the memory and mental health. It is also one of the leading risk factors for suicide—a stronger association between alcohol and suicide than almost any other condition. So we have to keep in our mind the broad harms from alcohol.

Two other points I would like to make very briefly. Point 1: There are no health benefits from alcohol. When you drink, it is just a simple trade-off of "How much do I want to drink and how much harm do I want to have?" either as an individual, a community or the country. No health benefits; only harms. The other point I would like to make is that approximately half the harms are experienced by people that were not drinking. A guy has a car accident and crashes into somebody; the person injured did not touch a drop. That is probably the leading reason why we have a community obligation to do something about the harms from alcohol, because the public who are not drinking alcohol have a right to expect that we look after them. For those reasons, I think the college of physicians absolutely backs the position being adopted by my colleagues. Thank you.

The CHAIR: Thank you. Anyone else, or can we move to questions?

Dr CROZIER: Honourable members, ladies and gentlemen, I honour and acknowledge the Gadigal—the Aboriginal forebears whose land we are privileged to participate in this meeting on. I acknowledge the disproportionate harm ethanol has caused the Indigenous of this land, and I pay my respects to their elders past and present. We are all here to share the vibrancy and the dynamism in an international city that we are privileged to live in—Sydney. We are here to acknowledge the tremendous benefit that a reasonable suite of measures implemented in February 2014 with the amendment to the New South Wales Liquor Act—the third in that year—has brought: a dramatic durable benefit.

It has improved amenity. It has significantly reduced a range of alcohol-related harms and it has exactly, as Peter has said, replicated the evidence from Newcastle from 2008. This reasonable suite of measures, which are not draconian, have a broad base of community support and an extensive body of referable medical literature to support the benefit and the evidence. In the 35 years of my surgical training and practice the only legislative change that has produced such a dramatic benefit, in terms of safety and harm reduction, has been the implementation of seatbelts. We would not now go back from the regulations that we take for granted. Why would we turn our back on a suite of measures that have produced such dramatic benefits, have improved the complexity of the local business—there has actually been an increase in the number of businesses that trade in the areas where these amenities have flowed, both in the Newcastle CBD and latterly in the Sydney entertainment precinct. It would be wonderful if this reasonable suite of measures could be more broadly enjoyed by New South Wales and indeed the broader Australian community.

As a surgeon actively involved in the practice of trauma surgery, a former director of trauma services in the St Vincent's Hospital and now on staff for the last two decades at Liverpool Hospital I say that if we see a watering down of these measures I know that every surgeon within the walls of the downstream hospitals will have more blood on their gloves treating the preventable victims who would otherwise have been preserved. The brief here is to maintain and ensure community safety—the second term of reference is the maintenance and the insurance of the individuals and the community's health outcomes. These have been wonderfully identified and replicated in the Sydney entertainment precinct. Therefore as a councillor of the College of Surgeons, a co-chair of the National Alliance for Action on Alcohol and a treating surgeon I speak in strong support of the benefit of the retention of these measures.

Mr THORN: I speak on behalf of the NSW ACT Alcohol Policy Alliance as well as my own organisation. The problem of alcohol-related violence and injury has become a vexed issue over the past decade here in Sydney, firstly because of the rising rate of harm and the increase in the severity of violence that can

occasionally result in deaths. Secondly, however, has been the reaction to the alcohol controls that were announced by the O'Farrell Government in January 2014. The loudest of these more recent voices are those with the most to gain: the vested interests. On the other hand, our alliance of more than 40 law enforcement, health, medical, research and community organisations is concern for the public interest and the interests of the safety and wellbeing of patrons, staff, emergency workers and residents who live or work in Sydney. We argue that the amenity of Kings Cross and Sydney's CBD has vastly improved since 2013. That is because everyone in this room has worked so hard to achieve what has been achieved.

On the basis of what we have witnessed since 2013 it is vital to protect, secure and expand these evidence-based measures. It is notable that this inquiry into Sydney's night-time economy—of which the late-night alcohol control measures are but one part—should focus in our opinion on all the factors that affect the dynamics of the night-time economy, especially if the objective of this inquiry is that Sydney's night-time economy should be enhanced. In investigating this the safety and wellbeing of people should come first. It is galling that the solutions to all the alleged problems with Sydney's night-time economy seem to turn on the "last drinks" measures. The need to abolish them—as proposed by many vested interests—is essential to all those arguments. There are many other factors that may be affecting Sydney's night-time economy. These have seemingly been reduced to a footnote. For example, the state of the economy; wages stagnation; construction disruption because of the massive capital works program the New South Wales Government has invested in over recent years; changing consumer behaviour; changing economic dynamics brought on by the gig economy; and a number of other factors that probably should be accounted for.

The advocates of change who frequently turn to the so-called "lockout measures" need to make their case. In my view they have not done that in relation to the availability of restrictions that are now in place, which have so clearly worked and achieved their policy objective—as Justice Callinan said in his review only two years ago. Let us remember that from the mid-2000s the business model that was developed was based on the sale of alcohol. In my opinion, if we wind back these measures the market will take us back to that position. That is what history shows us. As the data shows, trading hours extending hour by hour over a number of years saw rising rates of violence and harm. We know that the measures introduced by the O'Farrell Government are popular. We have seen that in our polling since 2014. No fewer than 70 per cent of New South Wales people support these measures. In the last poll, four in five people did so too. I think it is clear that first and foremost we should accept that these availability controls work. They are fit for purpose. If there are to be changes and the people of New South Wales—and Sydney in particular—want to see an enhanced night-time economy they need to look to other recourses and not roll back these very important liquor control measures.

The CHAIR: Thank you, Mr Thorn, and thank you to each of you. Dr Loi, you are smiling.

Dr LOI: I will only take up 60 seconds.

The CHAIR: You are very kind. Thank you.

Dr LOI: As an upper gastrointestinal [GI] and bariatric surgeon at St George Private Hospital for the past 15 years, one thing that first catches my attention is about the economy. Obviously there is a balance. Our State committee comprises about 2,000 surgeons. Wearing both my hats with the bariatric society and upper GI society I have travelled locally and internationally—we are at the coalface of treating chronic disease and we understand the economy of preventative medicines. We used to spend a lot of time treating the impact of pancreatitis arising from alcohol consumption—that is, alcohol melting the whole pancreas—and regularly treating liver disease caused by the chronic consumption of alcohol. Now we are treating different diseases in terms of obesity—maybe the cause is turning from alcohol to food now. However, one thing I have learned from my patients is that when you open a packet of M&Ms you say that you are going to have one. We all know what the results will be. So let us take away the M&Ms—

The CHAIR: Can we quote that? That is very good.

Dr LOI: —and let us focus on—do not reverse these measures. Before you had a ripple effect caused by one drip of water; now the water has settled down. Let's not rock the boat.

The CHAIR: Thank you, Dr Loi. Very succinct. You may just have provided the opening line for our report. Very briefly, I just wanted to say that the Committee has travelled to Newcastle and also met with Kings Cross police and been out to Kings Cross. We have travelled as far as we possibly can in the time we have had. One member of the council eloquently stated that a vibrant night-time economy should not be solely dependent on alcohol, which I thought summed it up quite well. I will turn to members for questions.

Ms CATE FAEHRMANN: Thank you for appearing before the inquiry today. All of you spoke a lot about the effects of alcohol and more broadly the effects of alcohol across society. You talked about liver disease, Dr Loi. I do not think there is any doubt that all Committee members agree that alcohol is extremely harmful to

people's health in high quantities over a long period of time. Witnesses talked about harm reduction measures, availability—all of that, which again I do not think this Committee is going to recommend that alcohol be available on every street corner 24 hours a day being sold to anybody who wants it all the time at \$2 a litre. How has the 1.30 a.m. lockout resulted in less alcohol-related harm across Sydney? Has it, or is it all the other measures that you are urging us to keep in place.

Mr THORN: I slightly disagree with what Professor Ezard had to say earlier. I think we can tell which of the measures generally are having an impact, because one of the characteristics of what happened from the mid-2000s until 2014, with the Government's announcement, was a progressive introduction of a range of measures. In my view, the Government sought to avoid what the evidence was showing in Newcastle—introduced availability controls. I will not go through the time line; the City of Sydney documents this in their submission. When it came to 2012, when Thomas Kelly died, our alliance was formed and the 10-point plan that my organisation put together at that time included earlier last drinks and lockout measures. It was not until two years later that the Government sought to intervene progressively with what we would argue were measures that had less evidence to support them achieving what the community wanted—and that was less violence.

Once the lockouts, the door measures and the last-drink measures were put in place we saw that dramatic change in Kings Cross and Sydney's CBD. In fact, that happened before the measures were actually legislated. This is an interesting characteristic of public health interventions and population-wide measures. The community anticipates what the impact is. We saw an almost immediate change. I think the police will report that in the weekend following the Premier's announcement there was less violence on the street.

Ms CATE FAEHRMANN: You talked about Thomas Kelly's unfortunate, tragic death.

Mr THORN: Yes.

Ms CATE FAEHRMANN: Both Thomas Kelly's and Daniel Christie's tragic deaths occurred before midnight.

Mr THORN: Yes. But they were two statistics—

Ms CATE FAEHRMANN: So your proposal is in terms of the 1.30 a.m. lockouts and last drinks in response to their deaths. What is the correlation between the lockouts and their deaths? Could you also address that.

Mr THORN: There is a simple equation. This is about the availability of alcohol and its supply. The more alcohol the more problems. That is the simple equation. That is what the international evidence says time and time again. When you add into that some of the evidence about people's ability to control—Professor Haber can talk about this better than me—after midnight people's judgement is impaired just because it is after mid-night and it is late at night. If you add alcohol you further impair people's judgement.

The lockout measures were advocated very strongly by law enforcement organisations—by the NSW Police Force and by the Police Association. I agree with what Professor Grabs said. This was a signal to the crowd that was in Kings Cross and in the CBD at the time. It said to people that it is unacceptable to continue to drink. Those people who were outside of the venues then had to find their way home, and that is what they did.

Dr CROZIER: Anecdotally, the police evidence suggests the benefit of the lockout—the one-way door. That evidence would be wonderful if it was provided to us in an open and transparent way, but anecdotally—I accept that it is hearsay evidence—the police data evidences the benefit of a one-way door from 1.30.

Mr THORN: One of the characteristics of Kings Cross was that not everyone who went to the area could get into the venue, because of the patron restrictions. So there were intoxicated people on the streets causing problems. One of the differences between what happened here in Sydney and what followed in Queensland was that the Queensland Government invested heavily in an evaluation. That evaluation was ordered two weeks ago, and we now have an 800-page report showing exactly what was going on in Brisbane and all their other night-time precincts. First and foremost it shows that two-thirds of people in night-time precincts had a blood alcohol content in excess of 0.05, and one third had a blood alcohol content in excess of 0.1. That is really quite drunk; it is clearly intoxicated. When you have those numbers of people in those precincts you are asking for trouble. I have no reason to believe that the situation would be very much different here in Sydney.

The Hon. JOHN GRAHAM: Thanks for your evidence. I want to continue on that line of questioning, because I think it is fundamental to what we are trying to weigh up here. There have been a range of measures; which of those are doing the heavy lifting? St Vincent's provided quite strong evidence from Amsterdam, Norway, New York and Newcastle about the last-drinks provision. Turning to that question, is there any extra evidence on the 1.30 a.m. measures?

Mr THORN: I think most of the peer reviewed evidence has been cited in the various submissions by a range of parties. I will say again that one of the things about Queensland—when you compare what is happening here with Queensland—is that the Government up there decided not to proceed with the one-way door provisions, even though the Parliament had legislated for them to be put in place. The net impact of their 3 a.m. last drinks in the precinct areas and 2 a.m. last drinks in the remainder of the State has not been as significant as it has been in Kings Cross. So arguably you can say that the lockouts were a significant difference between the policy interventions here and the policy interventions in Queensland.

The Hon. JOHN GRAHAM: The argument put in front of the Committee is that Kings Cross was a very specific problem. I am conscious of the time but I want to ask one other detailed question. We are about to hear evidence from another witness saying that the per capita alcohol consumption is at a 50-year low. Is that the case, or is it not the case?

Professor HABER: It is the case, but in the last five or six years it has fluctuated up and down. The changes in the last few years are around 1 per cent a year. So the changes are very slight. We remain between number 15 and number 20 in the highest levels of consumption in the world. We are not at the extreme but we are high. The quantified consumption only referred to measured alcohol. It is based on tax receipts, so any alcohol that is not taxed does not appear in those data.

Mr GEOFF PROVEST: We had your colleagues from St Vincent's before. One of the issues they raised which was relevant was that doing the things in Oxford Street, the Sydney entertainment areas and Kings Cross, has not resulted in a movement of greater injuries to outlying areas, even though it is pretty obvious that a lot of the people who were enjoying the night-time economy have moved to Newtown and places like that. Would you like to comment on that? To my way of thinking Kings Cross was unique. One of the things I am struggling with—and I know others are—is where you draw these boundaries for lockouts and other things. We have heard from a number of operators that say someone on one side of the street has it but those on the other side do not. But it does not seem that the injuries have moved out.

Professor HABER: I work at RPA and I have been looking as closely as I can at what is going on in my own hospital because I am very confused. But the evidence, some of which is in our submission here, some of which is published by Dr Michael Dinh in 2016, is that there has not been displacement to Newtown and consequently to its local hospital, which is RPA. I think that if you look around Newtown, if you just walk around Newtown, if you walk around Kings Cross, I think the answer will be there in front of you—which is that, first of all, it is not as late, the density of drinking outlets is far lower, there is far more emphasis on food and other forms of entertainment, and it is not a pure alcohol thing. If you walk around Kings Cross five years ago—which I am sure most of us have done—it is kind of scary and unpleasant, at any time of the day, and it is absolutely overwhelmed by drinking barns that look like a recipe for disaster, and that is exactly what they were.

Dr CROZIER: Could I add a supplementary statement of objective evidence on the lack of displacement, if we look at the pattern of injury that Peter Aquilina manages, the severe facial injuries that require operative surgery, they are a good surrogate market for either a lot of alcohol consumed by the patient or the perpetrator. They are a very hard evidential point. In the two years prior to the implementation of these measures there were 145 of those type of injuries managed in St Vincent's Hospital. That was without the knowledge that a set of measures was going to be implemented. In the two years after the measures were implemented, that pattern of facial injuries requiring surgery had dropped to 58, that is a 60 per cent reduction. You look for the evidence being picked up, and there is no evidence of that pattern of injury being displaced. That is referable data that can retrospectively be accessed. It is a very good surrogate marker for the extreme end of alcohol-related interpersonal violence. There is not the evidence to support displacement.

Dr LOI: To add to that as well—we train in the trauma area from the Sutherland Shire, as you know we were worried initially whether this would displace to Newtown, to Cronulla, with the riots and everything else. All we have is elderly fall overs and car accidents. We have not seen any increase being a problem. That is just anecdotal, personal evidence.

The Hon. JOHN GRAHAM: I jump in on the point by Dr Crozier because I think that is one of the solid bits of evidence we have. The argument then moves to how many people were not in the Cross, how many people have moved out and what is driving that change. I do not know if you have any comment about what is the best evidence we have about that change?

Dr CROZIER: The Bureau of Crime Statistics and Research evidence is the evidence I guess I would refer to. I would also make the point that hotel groups like Solotel, where Kings Cross Hotel is part of the hotel chain, the hours of trade of their group within the Sydney Entertainment Precinct, interestingly, often last drinks at 2 a.m., specifically one in Darlinghurst. But their equivalent hotel in Newtown—5 a.m. last drinks. We know that for every hour after midnight there is a 20 per cent increase in non-domestic violent assault requiring police

callout. That Bureau of Crime Statistics and Research evidence is what I would refer the Committee too. It does support a rise in the evidence of some of those patterns of injury, but that is not evidence of displacement.

Mr THORN: Can I add to that. That is a really important issue. I suspect that the quantitative data is poor. I would rely more on observational data and talk to police and their representatives because I know from discussions with the former president of the association that what they believe happened is that once the measures were announced in January 2014 it was a game changer. The people who had been attracted to the Cross, many of the types that maybe people would have preferred had not been there, particularly some of the perpetrators of these severe assaults, had gone back to where they came from, in a sense. Those night time economies have absorbed them and Sydney's overall night time economy has changed as a consequence. Those manifestations obviously are challenging.

The Hon. BEN FRANKLIN: I stitch together a few of the different elements that we have found in this inquiry so far. Firstly, for example, where we visited Newcastle, something that they are trying to do now is to diversify their range of venues so that they do not clump a whole lot of big pubs together but there is a restaurant, then perhaps a small entertainment venue, then perhaps a wine bar in these precincts, because they believe that is going to assist. Secondly, we heard evidence today and on a range of preceding days in submissions that "the Cross was the problem", that Kings Cross was very specifically an individual issue because of this extraordinary focus, because only 9,000 patrons could be in clubs or venues at one time, therefore another 30,000 or 40,000 might be on the street. Thirdly, there was discussion about Newtown, for example, as having a much more diversified mix. My question then, and I am interested in any comments you have, is really important to consider the planning issues and to look at how precincts and areas where the night time economy is focused are actually structured, particularly when you take into account the evidence you have just given that there is no evidence of displacement, that is something that frankly should be at the top of our minds?

Professor HABER: Briefly, in the interests of time, there is good evidence about outlet density and violence in proximity to the outlets, like within 100 metres. One of the issues with the Cross was packing in so many outlets in three or four blocks of space. Definitely one of the considerations is managing outlet density.

Mr THORN: We have looked at this issue of saturation of venues in areas and published a report, Any Time Any Place Anywhere. We looked at the UK cumulative impact policies that they have in place. I do not think that kind of fit for purpose is the sort of thing that we are dealing with here. For instance you pick up the City of Sydney Council's argument that says get rid of the lockouts and replace them with late night venues and place them in things like saturation zones. What London found is that there was actually an increase in the number of licensed outlets in the City of Westminster, for instance. I think what we are looking at is a device that looks forward. It might be fine for controlling what might happen in the future, but it is no good looking back at what is already in place, because I have not seen that kind of suggestion from the advocates of these policies that they are going to close things because the tool says there are too many there. I think trying to take away the business rights of people is a very tough thing to do.

Dr CROZIER: Could I make a quick anecdotal statement about businesses that are not agile enough to respond to these reasonable measures, and commend the foreword of John Ibrahim's book *King of the Cross*. That is a book that I was not going to read, but in that foreword he acknowledges his business demise to the implementation of these measures. I gently suggest that failed businesses probably are not nimble or agile enough to work within a reasonable set of measures.

Mr KEVIN CONOLLY: We have heard today that about one-third of head injuries presenting to hospitals in Australia are assault-related, and that is higher than in overseas contexts, which would suggest we have more than a Sydney issue to discuss. I know the doctor talked about Liverpool Hospital as having challenges. That is one element of my question, we are focused on Sydney's night time economy but these implications are more broadly applicable perhaps. If we are seeing displacement of patrons from the Cross to other places, but not violence, what do we learn from that that is good that could help us plan those laws statewide?

Mr THORN: I think a doctor should answer this question.

Professor HABER: Can I respond to the first point? The problems of alcohol in society are so diverse and are so many that you can point to there being persisting problems anywhere you like. That is no reason to unwind an effective intervention like this. You could make this worse. It will not have any effect on Canberra or some remote area. The problems of alcohol, as we have referenced, occur to the whole body, to the whole of society and across all human health and human services, so stay focused on what we are focused on and get it right here—that would be my point.

Dr LOI: I think what you mean is you think it is the cultural changes that are important. In fact it is more important that what they have done at the beginning is to change the culture by making people more aware,

so it should be continued so that we can make headway of the cultural changes that you are probably thinking about pushing, rather than just an incidental intervention that affects acutely—so people are more attentive now about the harmfulness of alcohol and cultural change will happen with time.

Mr THORN: In brief I think we have learned that availability controls work—the less alcohol there is, the fewer harms there are, and that should be the basis of policymaking.

Professor HABER: That is the dominant determinant. You would like to say, "Can we still serve alcohol until 3.00 a.m. or 5.00 a.m. in an unrestricted way but maybe serve some water with it or a piece of cheese?" It is really about the amount of alcohol consumed, the degree of intoxication and the concentration of a high number of intoxicated people in a small space. It is like making a fire.

Mr GUY ZANGARI: Thank you for your submissions. Many of the submissions given to the Committee say that Sydney is boring, it is dead, and Melbourne has a vibrant night-time economy with a lot more offerings. Many of you I am sure have been to Melbourne and experienced what they have with small bars, food outlets and retail. Keeping in mind your stance about the retention of these measures for lockouts and last drinks, how can we now as a Sydney night-time precinct have a safe environment but also give offerings to people, keeping in mind the underlying fact of problems with alcohol?

Mr THORN: I think that most members of our alliance do not see themselves as experts at how to construct a set of policies for a vibrant night-time economy. We are staying in our lane, as it were. We are about the alcohol-related harm and that is where we see our area of expertise. As I said in my opening remarks, I think it is for others to come up with proposals to enhance the night-time economy if that is what is wanted but do not do it at the expense of people's lives and their safety and wellbeing. That is first and foremost. In relation to Melbourne, as someone from Canberra it is probably easier for me to make these remarks, but it is a question of your preferences.

The CHAIR: At least it is not Melbourne.

Mr THORN: I do not believe that Sydney is boring and dead—not from where I live.

Mr GUY ZANGARI: But there are overwhelming comments that have been made to us, with all due respect.

Dr AQUILINA: But who is making the comments?

Mr THORN: This is part of the problem. Too many people have talked Sydney down and it has got to stop. In the case of Melbourne, we saw some research released recently about one of the policy interventions that they implemented to deal with the problems in the city and that was to institute all-night public transport. More than \$300,000 was invested in that and for no result it seems, other than more people and more violence. So ask yourself: Where does Melbourne really stand? Maybe this is about the ways that Melbourne promotes itself. That is perhaps where the Committee should look in terms of interventions.

Dr LOI: Perhaps I will just give you 30 seconds because, based on the fact that I am treating patients that like to eat and drink, it is the quality versus the quantity. My favourite restaurant, Sepia, which I know very well, moved down to Melbourne for that reason. I guess we can revive that but it is focusing more on the quality of food. Even alcohol we are not opposing but the quality versus the quantity is also a problem.

The CHAIR: We have evidence from one stakeholder that says exactly that. We appreciate the capacity in which you are appearing here is as medical experts not as night-time economy experts. We appreciate that and your comments. But in relation to the Melbourne example it seems to be that one of the factors that might have been behind the success is a number of entities getting together—that is police, licensees, providers, the transport regulator and the medical profession. Do you have a view or would you like to comment on that—whether that presently exists or whether you think that is something you can be at the table with? Because it is ultimately a mutual problem and we discussed being proactive instead of responsive to crisis management.

Professor HABER: I make a comment that stays reasonably close to where I feel expert, and that is that sometimes when we focus on alcohol as the solution to all of our problems we do not think very much about other ways of living and other solutions, either in terms of the patient, a community or the entire State. I personally refuse to believe that we cannot enjoy ourselves without being severely intoxicated—I refuse to believe it.

Dr CROZIER: In relation to the study that Dr Paul Preisz referred to, the linkage of some of the hospital-based data with licensees is a replication of a body of work known as the linking project in the lead-up to the implementation of the measures in Newcastle. I suspect many on the Committee are familiar with that police linking project where police optionally entered whether a person had been consuming in the six hours prior, when

did they start, when did they stop, how much did they consume and when did they last consume. When they made that not optional but mandatory the reported rates went up from something like 25 per cent to 40 per cent.

Nothing different had happened with the recording of the coincidence of the ethanol consumption prior except making it mandatory. When the police intelligence was then analysed, 2 per cent of the premises generated 98 per cent of the work. And those 14 premises were then taken through the courts, police mounting the action, and that was the basis for the Newcastle suite of measures. With the evidence that Dr Paul Preisz referred to with the emergency department linking project being fed back to licensees, those linkages do offer potential for win-win situations.

The CHAIR: Thank you. You might provide some more information on that to us if you are able to take it on notice.

Dr CROZIER: On the linking project?

The CHAIR: Yes.

Dr CROZIER: Yes. Mr John Green who is appearing later on today is far better informed than me.

The CHAIR: Thank you. We are very over time, but thank you so much. The Committee may have further questions for you which we will send to you in writing. If you are prepared to accept those your answers will form part of your evidence today. Are you happy to accept further written questions? We would ask that they be returned within seven days.

Mr THORN: Yes.

The CHAIR: Thank you so much for appearing before the Committee today and for your wonderful work.

Mr THORN: Can I table this?

The CHAIR: Yes, through the Committee staff. Thank you.

(The witnesses withdrew.)

(Short adjournment)

ALEC WAGSTAFF, Chief Executive Officer, Spirits & Cocktails Australia, sworn and examined

GOHAR YAZDABADI, Research and Policy Manager, Alcohol Beverages Australia, affirmed and examined

JULES NORTON SELZER, Public Policy and External Relations Manager, Diageo Australia, affirmed and examined

The CHAIR: Thank you for your written submissions. Committee members have had an opportunity to read them. I invite you to make a short opening statement. I say short because the longer we spend on the opening statement, the less time there is for questions from the members. We are delighted to hear from you and we have lots to ask. I invite you to make a short opening statement if you have one, Ms Yazdabadi.

Ms YAZDABADI: I take this opportunity to acknowledge the deaths of Daniel Christie and Thomas Kelly.

The CHAIR: Thank you.

Ms YAZDABADI: These deaths were needless, tragic losses of life. I extend my thoughts to their family and friends. I thank the New South Wales Government and members of this Committee for providing the opportunity to appear today and contribute to this important process. Alcohol Beverages Australia is the pan-industry body representing the many industry manufacturers, distributors and retailers that operate legally and responsibly across Australia. Our role is to contribute to the public debate to ensure that regulations are balanced, so that there is stability and certainty for industry, while acknowledging and working with all stakeholders to minimise the harms associated with alcohol misuse.

Five years on from the introduction of the lockout laws, there is an opportunity to consider how the night-time economy can best serve Sydneysiders and thrive in its role as an international gateway to Australia. Against the backdrop of more responsible and moderate drinking culture in New South Wales, we can consider how to bring back vibrancy into the night-time economy without compromising on health and safety. The industry has been working hard to create new experiences for residents and visitors to Sydney. Our submission provides a range of practical recommendations on how we can all work together to produce a balanced, safe and vibrant night-time economy that serves the people of Sydney. On a final note, I thank those working behind the scenes to support the Committee. The last time I checked the website there were almost 800 submissions, so it has been no easy task. Thank you all very much.

The CHAIR: Thank you for acknowledging the Committee members. We are very appreciative. They do the hard yards and make us look good.

Mr WAGSTAFF: Spirits & Cocktails Australia thanks the Committee and the Government for the opportunity to present today. Our association represents the interests of all those involved in the spirits business in Australia, including drinkers. Our membership represents around 70 per cent of the spirits consumed in Australia. Our most recent research shows that some 80 per cent of adults have drunk spirits in the last year, compared to 70 per cent of adults who have drunk beer. There has been much talk in this discussion about the trade-off between a vibrant night-time economy and public safety. We believe that you do not have to trade off one against the other, but that with the right regulatory approach you can improve outcomes for both.

We believe that approach should be based on two principles. Firstly, that simple regulation focused on clear policy objectives is more effective than complex legislation that attempts to micromanage often conflicting objectives. Secondly, behaviour rather than beverage choice should be the basis for reducing potential harm. Alcohol is alcohol, and regulation should be based on the concept of a standard drink. New South Wales has over 400 pages of detailed and at times contradictory legislation, regulations and guidelines covering the supply of alcohol. Young people working in the hospitality industry are required, as part of their Responsible Service of Alcohol training, to maintain an up-to-date knowledge of those details. This is blatantly an unrealistic expectation. I was going to read a micro example of that, but in the interests of time I will not.

The CHAIR: Thank you.

Mr WAGSTAFF: We reproduced it in the submission, and it is the terms relating to how you can sell a cocktail in New South Wales. I will take that as read. We believe that the core principles of responsible service—that is, do not serve minors and do not serve intoxicated customers—should be the core of regulation and enforcement of the supply of alcohol in New South Wales. The Australian Government uses the standard drink as the basis for drinking guidelines and consumer education on the basis of science. The breathalyser does not discriminate on the type of alcohol consumed, but measures the level of a person's intoxication. Spirits are the only form of alcohol where the most common serving size is actually one standard drink. I heard a bit this morning

about anecdotal evidence. We try and avoid that. We commissioned the Australian National University to do an in-depth analysis of the Australian Institute of Health and Welfare drug and alcohol survey to look at risky behaviour.

Risky behaviour includes exceeding the drinking guidelines as well as engagement in activities such as drink-driving, verbal or physical abuse and damage to property. In brief, that analysis showed the majority of people do not engage in risky behaviour. The major risk factors about those who do are gender and age. Unfortunately, the most common risky behaviour remains drink-driving. Finally, spirits drinkers were actually less likely to engage in excessive drinking and antisocial behaviour than beer drinkers. The current drink regulations that restrict the sale of spirits are inconsistent with the science behind the standard drink and the available data on risky behaviour. They have created reputational damage to New South Wales as a tourist destination and they do nothing that the actual enforcement of current Responsible Service of Alcohol requirements could better achieve. We recommend that they be removed.

Mr SELZER: Thank you for the opportunity today and thank you for the Committee's work on this area. Diageo Australia is the leading premium spirits company in Australia. We employ more than 300 people across the State including 150 at our manufacturing sites at Huntingwood, western Sydney. This site produces over 80 per cent of the products we sell across New South Wales and Australia. Our customer base encapsulates a range of small business and hospitality industries from boutique cocktail bars to hotels, restaurants and clubs. As drinking and cultural trends across New South Wales change for the better, so do our customers and brands. Seventy-five per cent of drinking occasions now include food. Premium products and experiences are growing and people are drinking better quality rather than more volume.

One of those popular things on Groupon is food and whiskey pairing and that is sort of emblematic about the cultural change we are seeing. Diageo of course fundamentally supports the goals around safety and reducing harm but we do believe a more reasonable and proportionate framework can better achieve this balance. Sydney is not unique in this sense to any other city. Population-based approaches do not distinguish between those who drink responsibly and those who do not. Our submission outlines several effective but targeted interventions that focus on education, hospitality management, the responsible service of alcohol and self-responsibility that Diageo has invested in and committed to.

We would like to emphasise to the Committee that what is commonly referred to as the lockout encapsulates 21 excessive restrictions and regulations that are part of the CBD plan of management. For example, at one minute past midnight you cannot drink a Bailey's, which is 0.4 of a standard drink. You have heard from other stakeholders about the impact on Sydney's night-time offering and I will not go into that again, but we do see a negative impact from votes in terms of the perception and reputation of Sydney.

I will touch just briefly on the recommendations. We believe that, given these cultural trends and changes in drinking culture, there is significant potential growth in a safe and vibrant Sydney night-time economy—the tourism culture and food and drink economy. Research shows that the vast majority of people support a more targeted and an ultimately strengthened approach—venues and people being treated as innocent until proven guilty rather than vice versa. Practically, what we are calling for is an amendment or a repeal of the CBD plan of management regulations from the Liquor Act or at least for the Government to adopt a more flexible approach so compliant venues would automatically opt out of restrictions rather than automatically being in because of their location in the CBD.

Existing provisions in the Liquor Act and the three strikes scheme offer a significant enforcement mechanism, but unfortunately after the fact. We recommend removing the type of micro regulations that Mr Wagstaff has referenced. Guidance should focus more precisely on targeting irresponsible behaviour and rapid consumption across the board regardless of the vessel in which it is served. In summary, we absolutely recognise that alcohol is not the only part of a vibrant night-life and nor should it be. That is why we support a range of recommendations that have been put forward for more diverse night-time activities. Thank you.

The CHAIR: Thank you very much. We will now take questions from members.

The Hon. JOHN GRAHAM: Thank you for your submissions. They are quite comprehensive. You have turned up after two sessions when we talked through with the health professional about the impact of alcohol. Some of the evidence was research based and some of it was anecdotal but it was reasonably confronting. The Committee will take account of it. What you have just told us is some of the restrictions in place might actually be making things worse—might be pushing people towards drinking more alcohol rather than less alcohol in a particular drink. You have said that some of those should be removed. What is a better way to do things? I note that one of your submissions talks about the Victorian approach or a different way of regulating this, which is more towards that principle-based approach that you are talking about.

Mr WAGSTAFF: I am happy to start on that one. One of the issues is that when you have 400 pages of regulation and you have limited enforcement resources, it makes life difficult for those people responsible for enforcing that. What is the priority that they should do? Our practice is that if you focus on the core elements, which are responsible service of alcohol—let us put aside underage drinking for a start and take that as a given. In terms of avoiding intensive intoxication I could not agree more with the previous evidence in terms of, as a society, we do want to reduce the level of heavy intoxication. How do we do that?

Part of it starts well before people get to licensed premises. That is when they are actually being educated about alcohol through the education system. That is an important thing to do. Some of our members do activities within schools that are based around a really practical way of getting to people about that. But in terms of when you actually come to a licensed premise, remembering again that 80 per cent of alcohol is consumed away from licensed premises, a lot of the problems happen from people who have had alcohol well before they arrive at a licensed premise. Let us just go to when they either try to get into a licensed premise or whether they are within a licensed premise. If you see proper enforcement by management of the responsible service of alcohol, people who are intoxicated should not receive alcohol and in fact they should be asked to leave the premises.

The problem is that we have enforcement resources that are doing things like singling infringements for a sign or for the size of the label on a security person's T-shirt. Now, it is a bit like if you take the road traffic example: Would we rather our enforcement be issuing parking tickets or booking drink-drivers?

The Hon. JOHN GRAHAM: You would say that that might actually be a distraction from the main aim.

Mr WAGSTAFF: Exactly. If we simplify the regulations so that they are very clear and there is less of them—there are only three or four principles to enforce—then we can hold regulators accountable to actually enforce them. That is the high-level premise.

Mr SELZER: I might just add to that. I think the first principle is around the on-premise, which is already a very heavily regulated environment. You know, you have the responsible service of alcohol [RSA], you have CCTV quite often, you have the RSA marshals, you have people who are educated around hospitality. Automatically being in the on-premise is a positive step but let alone the wider social, cultural and economic benefits that flow on from that. Secondly, just to add to Mr Wagstaff's point around the application of RSA, particularly from a spirits point of view: If RSA is effectively applied—and you reference the Victoria guidelines—they are principles-based and we absolutely support that. The examples given are irresponsible practices. It does not matter whether that is in a tumbler of whiskey or whether it is in a beer. It is about entrenching and educating that the practices that are irresponsible and then deal with the behaviour.

Lastly, a point around the wider education area: There is a lot of work focused, understandably, around times of day and lockouts in the on-premise, but a big part of this comes back to education. We support a program called the Smashed Project, which is a theatre and education workshop that goes into schools and educates young people around peer pressure and behaviour for a lot of the lessons. Of course that is a longer term program but those are exactly the kind of things that educate young people because the key factor in young people's behaviour is peer and parental influence. Of course that is to the side but that is a big part of what we recommend. We do this but we would like to partner further with government agencies around that. Just lastly on that, education in venue: Different hospitality businesses, Diageo will run their own versions of training. We run the Diageo Bar Academy. I think you had evidence on Monday from Sam Coffey. This is a really important part of it because you are educating venues and staff to improve not only the drinking culture but also the education in the venue.

You see the effects of that in terms of a better drinking culture—people are drinking better quality—and reductions in intoxications, but also revenue is still increasing. It is not this sort of dividing line between compliance and revenue. You can have a restaurant bar that keeps people in and they have a few drinks and they eat dinner. They are having a responsible time and you reduce the harm by having a positive hospitality experience. There is one area around mitigation of harm but there is also a positive area around how you improve hospitality and that is a big part of what we are supporting and driving as an industry.

Mr ALEX GREENWICH: Everyone may have something to contribute to my question. You had mentioned, Mr Wagstaff, about the study you did about what type of drink you can buy at what time in Sydney. I was interested to know the impact of that, both on people's drinking habits, on the types of offerings that hospitality venues can provide, how those regulations impact that, and also how those regulations potentially impact the types of beverages that are supplied to venues.

Mr WAGSTAFF: That is a very broad question, so let's start. Part of the reason, for instance, we changed the name of our association a couple of years ago to include cocktails is because cocktails are on trend and they are becoming increasingly attractive for both males and females. Part of the data on the risk element

show that women are much lower risk of antisocial behaviour than men, unfortunately. Therefore venues that attract a better balance of genders—first principles would suggest they are going to have a lower risk profile than ones that might be male-dominated.

Mr ALEX GREENWICH: Maybe with the exception of gay bars.

Mr WAGSTAFF: Possibly. Having said that, therefore, in terms of the offering, in terms of beverage choice—the range of beverage choices—the availability of food obviously goes with that. But in terms of if you have a beverage menu that is more attractive to both sexes, you are probably more likely to have a lower-risk venue, for a start. So there is one example of what it might be. Part of the issue with the complexity of those regulations is they are very difficult for people to interpret. For instance, the prohibition on neat spirits has a little thing, a rider, saying "unless it is not designed for speedy consumption". If you are a licensee facing a significant fine, you are not going to say, "Look, I am going to make a call that that whisky is not designed for rapid consumption," because the enforcement officer is likely to say, "Well, it is straight spirits in a straight glass; I say it is. Here is your fine." The complexity of that limits it. The condition about having to have a cocktail list and not being able to serve anything that is not on the cocktail list if you want a variation to it—some people have got round that by basically producing an encyclopaedia. That is a ridiculous amount of effort to go to. It does not get to why the restriction is there in the first place. Why do we have the regulation? It should be to prevent heavy intoxication, regardless of the form of alcohol. If we have people on the ground enforcing that, I think we will get a better culture.

Mr SELZER: Can I just give an example of that? A Diageo customer—I put this in the back of our submission. The venue is called This Must Be The Place—you might know it—in Darlinghurst. It won Time Out Sydney Bar of the Year 2017: high-quality drinks and food, very much a symbol of this increasingly diverse and sophisticated hospitality culture. It has got what everyone would consider the hallmarks of a small bar, but it happens to operate under a general bar licence. So automatically all these elements that support the small bar licence, it cannot apply for, even though if you walk in you would think it is a small bar. They would like to trade past midnight and they would like to serve a neat spirit and/or bespoke cocktails not on a menu after midnight. Despite 25 neighbours it shares a laneway signing a petition to support the application to trade later—it has never had an alcohol-related issue in or around its premises—it was rejected because of its location in the CBD: therefore the automatic application of the plan of management restrictions, including the liquor licence freeze.

The liquor licence freeze itself restricts the amendment or change of your existing licence, which is probably less well understood. So the venue cannot extend its trading hours. It cannot apply for development consent to modify the venue and it cannot serve these drinks after midnight. So it plays into this overly restrictive culture, and that is where we come back to our recommendation of—it is not to say that elements that are already contained in the Liquor Act might be appropriate for certain venues should there be an issue of non-compliance. But in that example it is hard to understand why they cannot act appropriately and serve—it might be a neat serve or a cocktail after midnight and trade a bit later providing they are adhering to all the compliance conditions they need to.

Ms CATE FAEHRMANN: We have heard a fair bit this morning about what was happening in Kings Cross in particular in relation to the kind of violent, alcohol-fuelled behaviour and the consequences of that. In your view, what was it that was really leading to that in Kings Cross? This is to every member of the panel. If we, for example, recommended the lockout laws were repealed in a couple of months' time, do you think the Kings Cross area in particular would just resort pretty quickly to that same kind of alcohol-fuelled behaviour? If not, why not?

Mr WAGSTAFF: Again, I am happy to leap in. I think, again, some of the evidence this morning was that there are multiple variables. If you repeal the lockout laws and enforced Responsible Serving of Alcohol [RSA] strictly on all the establishments and monitored poor licensee behaviour and had a significant and regular police presence for behaviour outside, I doubt whether you would see a reversal to those things. But again, almost by definition, if you replicated exactly the same circumstances as they were before, it would be a bit silly to not expect the same outcome.

Ms CATE FAEHRMANN: The density of outlets—that is different as well now, of course.

Mr WAGSTAFF: Well, assuming that the density resumed—if you changed the rules and the people came back. My understanding—and I am by no means a behavioural expert, but the congregation of people who are intoxicated is, no doubt, a high-risk factor. Now, why that happens and part of the lockout rules—if you keep people outside the licensed premises, they are actually probably more at risk than they are within licensed premises. So there is a fundamental problem there. At least licensed premises are very controlled, as Mr Selzer said. I think we should be looking for a better way forward, not necessarily going back to where we were. What

did we learn from that? What circuits were broken, in terms of there was poor licensee behaviour, by the sound of things.

Equally, I think if you look at the database, you look at the macro figures, and young people's attitude to alcohol is changing. Age of first drink is getting older. Incidence of harmful use is getting lower, and absolutely accepting that there are still people who drink too much alcohol. However, not all of those people who drink too much alcohol become violent, so it was pleasing to hear this morning about some of the measures for targeted intervention for those people who have both alcohol and violence problems. We would support that terrifically. I think what we are suggesting is that if we look at the best possible practice, you could change a lot of the micro regulation, including opening hours, including density, so long as you accompany it with pretty tough regulation about behaviour of individuals as well as the behaviour of licensees.

Ms YAZDABADI: I think what is really important, just to add to what Mr Wagstaff is saying, is really understanding why violence occurs in the night-time economy. There has been some research done in this space in the anthropological sense of really going in there and understanding what people are doing and how they are doing it. That research has found that generally there are three main drivers for violence in the night-time economy, and that is the violent individual, the violent reinforcing cultures, and then violent situations. So alcohol can play a role in violence because it is a behavioural disinhibitor, but it does not in and of itself cause the violence. The vast majority of people will enjoy a drink and they will not become aggressive or violent. So we really need to think about how we can consider those factors that cause the violence.

I guess one way to look at it is short-term solutions as well as some longer-term solutions as well. As Mr Wagstaff has pointed out, the RSA mechanisms that are in place are a short-term solution to that and are very good. But what we need to think about is when we do implement RSA and someone said, "That's enough. You've had enough. You need to go outside now. You need to leave the establishment," what do we do with that person then? We need to make sure that there is good transport to get these people safely and quickly home. I guess that is where these once-in-a-lifetime infrastructure decisions such as light rail come in and where we can really utilise that to help in these instances.

I guess the second part of the equation is that real behavioural change work that needs to be done—things like education programs that Diageo is working on. That could get a real outcome. In New South Wales—this is official Australian Institute of Health and Welfare data—we have seen single-occasion risky drinking fall, between 2010 and 2016, by 6.1 per cent. Lifetime risky drinking has decreased in New South Wales over the same time by 15.3 per cent. To touch on young people and their alcohol consumption, we now see 82 per cent of people under the age of 18 abstain from alcohol altogether.

Mr SELZER: I will just add one or two more points. The data is from 2005-06 to the current date. So that is clearly a long-term pre-existing cultural and global trend. We are seeing this not just among young people in Australia; it is all around the world. So there is a bigger factor here than linking it to restrictive on-premises regulations. Secondly, with regard to your question on short-term goals, I am sure liquor accords have been mentioned. They will be mentioned again later today. There is an already-existing, effective voluntary partnership between police, licensees and local communities that are about developing safe and well-managed environments. It is not in our interests or in our customers' interests to have problems in or around venues. So we all have an interest in this.

It is about trying to get to the same outcome through more targeted and collaborative measures. I have just picked that as a good one. People are often referencing the Newtown voluntary liquor accord, where there has been a huge increase in patronage but still corresponding declines in alcohol related violence. We have talked a lot about Melbourne. That night-time strategy with transport has led to an increase in the number of people and revenue but a decrease in alcohol consumption and a continued decrease in alcohol-related disorder. So it is about identifying those multi-stakeholder partnerships. That is why we have recommended in our submission the continuation and up-weighting of partnerships like that, which lead to the outcomes we all want to see.

The CHAIR: Do you all agree with that? It is not just a regulation approach, is it?

Mr WAGSTAFF: No.

The CHAIR: That cannot be the answer. It has to be everybody's problem at the table.

Mr WAGSTAFF: If society relies on regulation then there is a distinct failure because you will always be trying to catch up.

The CHAIR: The absence or presence of it is not the only answer; it is about having everyone at the table to work on it preventatively.

Mr WAGSTAFF: Yes.

Mr GUY ZANGARI: Mr Selzer, thank you for your submission. Diageo was talking about the policies to reduce alcohol-related harm being DrinkWise, Drinking: Do it Properly, DRINKiQ and the Bar Academy. In our inquiry we have heard evidence about licensed venues using the Three Cheers program and hydration strategies. That is putting it back on licensees, who ought to be in partnership with their patrons. Obviously, bar staff and security are tending to these patrons and working with them in order to have a great night. Looking at broader programs and strategies that the Government could provide and working in partnership, what would you say could be some of these broader strategies in campaigning to make people fully aware of their responsibilities in order to have a great night plus the consumption of alcohol?

Mr SELZER: There are a couple of areas. You have referenced Sam's work with Three Cheers. The Diageo Bar Academy operates on a similar principle—positive hospitality. Our recommendation for the New South Wales Government, particular through Liquor and Gaming, is that we create a more consistent version of that. I think a lot of hospitality venues are doing this in different ways. To be honest, I think it is a bit scattered but then the New South Wales Government has its advanced licensee program. What Sam and the Three Cheers program is trying to do is to create one holistic version that we could all get behind. Where that is operating well you bring that out much more consistently throughout the CBD. You will see that, I am sure, in the results that the set of programs that Three Cheers have run with Oxford Art Factory, running three venues as a whole.

It is important to re-emphasize the point that taking a positive hospitality approach rather than a very narrow compliance approach means that you get the best of both worlds. You reduce the harm, and venues are happy because they maintain, if not increase, revenue because they keep more people responsibly in a venue. So I pick that area around positive hospitality education as a key part. Another area that we have recommended is around street wardens. I think an understandable concern from police is the potential waste of resources on low-level walking the streets. Simple implementation of programs like that has operated well in London and other cities around the world—volunteer-led partnerships. Again, you are just reducing the potential friction points. Someone may be coming out of a venue on their own. All they need is a bit of water and to be directed to a taxi. Creating more approaches like that—with the emphasis on multi-stakeholder approach—will lead to the outcomes we all want to see.

The CHAIR: And a kebab shop on every corner.

Mr SELZER: Yes, food is very important.

Mr KEVIN CONOLLY: Mr Wagstaff, you started your address by saying that you would like to see regulation simplified and focused on the concept of one standard drink. If I understand where you are going, you are saying that spirits have been unreasonably singled out with a whole lot of complex regulations that stop people being able to access the product you people represent. Has that led to people drinking less or simply displacing it and going to some other sort of alcoholic product after the regulations kicked in?

Mr WAGSTAFF: I severely doubt that it has led to people drinking less. I have no evidence for that. That is my anecdotal comment. Part of the issue is that it is a lost opportunity. By putting in that little set of rapid intoxication guidelines and centring on a couple of drinks—one of which, for instance, is a pre-mixed drink with an ABV of up to 5 per cent. That is exactly the same, in an alcoholic sense, as a beer, so why would that be selected. Then people think they have done enough. "Okay, we have put in a piece of regulation and everybody feels good." It does not get enforced very much and we do not address the core of the problem.

The core of the problem is: how do you prevent people getting rapidly intoxicated? The Victorians have done it through putting out guidelines. They cite examples. Rather than regulating and saying, "You can't have this," or "You can't have that," they give examples. The first one they use is, "Don't scull a yard glass." When you think about it that makes sense. That is a very significant rapid intoxication. There must have been some issues—with ex prime ministers, possibly, having done that.

I have seen no evidence that there was a problem with that, because under the current RSA rules if some person who is intoxicated approaches bar staff and asks for three shots of whiskey they should be refused. You do not need a specific regulation. Oppose that with somebody who approaches staff for a 25-year-old malt whiskey and is refused service because there is a technical rule. The easy thing to do in response to a problem is to add a regulation. Then everybody sits back and goes, "Great!" But you end up with 400 pages of regulation and you lose sight of what you are trying to achieve.

Mr KEVIN CONOLLY: Do you know if the objective—even though it might have been convoluted and made through complex regulations—has been achieved? Have there been fewer incidents of rapid intoxication as a result of that suite of measures?

Mr WAGSTAFF: I am sorry; I could not say.

The Hon. BEN FRANKLIN: I was going to pick up on this exact issue. If you want to go and have a Baileys or a whiskey after midnight you say that that is not unreasonable; I have substantial sympathy with that. But obviously we do not want people getting rapidly intoxicated, by having jager bombs or whatever it happens to be, in rapid succession. How do we deal with it? How do we make it not happen? Do you contend—I expect that you have just done it—that we just have to take the rule out all together but we have to ensure that through RSA individual staff have to judge each situation at their own discretion? How do we deal with this?

Mr WAGSTAFF: Exactly what you have said. Individual staff have to meet their current legal obligation. That is the law currently throughout New South Wales. This clause is not only in the CBD plan, it is in the regulations. It has been built into liquor accords, and it does restrict the development of the type and sophistication of the venue. So, yes, I am a very firm believer in having simpler regulation. Maybe we need to evolve that and work on that. The guidelines for assessing intoxication are quite comprehensive but we are saying what could the New South Wales Government do.

Maybe we could look at enhancing the RSA training, rewarding those establishments that perhaps do best practice through some sort of discounted licence fees—so heavy licence fees were put on board on a risk basis purely on geography, not necessarily on the nature of the outlet. It is an area where industry would be happy to work with the regulators and other stakeholders to say, "Okay, it sounds simple to do RSA but how could we practically make it better?" and talk to venues about how you train transient workforces in a meaningful way—and in regional areas, not just in the CBD.

The Hon. BEN FRANKLIN: I was going to say that. I am from Byron Bay and there is a real issue there in exactly the same way.

Mr WAGSTAFF: Yes.

The Hon. BEN FRANKLIN: Jules, did you want to add anything to that?

Mr SELZER: Yes, just to emphasise the point that I think the regulation has not kept up with the way this culture is changing. Just because a serve of neat whiskey has a high alcohol content it does not mean that you are automatically going to drink it quickly—and you are often paying \$40, \$50 for that nip, so there is another reason why you might not drink it quickly. Again, it is about the environment. We have heard a lot about density outlet and licence conditions, but licence conditions are predicated on an environment in a venue. It does not have to be a small bar; if you are serving food, if you have a certain style then the price point is a good indicator of the way that drink is going to be drunk. So those are all factors that can be taken into account when you amend this regulation.

The Hon. BEN FRANKLIN: Thank you.

The CHAIR: Thank you. One last question from Mr Geoff Provest and we will finish.

Mr GEOFF PROVEST: Just a quick one. A number of submissions coming out of the industry have mentioned "preloading". Considering the people you represent, do you think pricing is an issue here? There is some pretty cheap alcohol out there at the moment that I can preload.

Mr WAGSTAFF: Yes. As well as being a CEO of Spirits & Cocktails Australia I am a father of an 18-year-old and a 20-year-old.

Mr GEOFF PROVEST: Right.

Mr WAGSTAFF: So this is lived experience in terms of that. In terms of pricing, we have heard a bit about minimum unit pricing. Beyond the State Government we have the most complex tax system for alcohol in the world. The standard drink tax goes from 5¢ for cask wine up to \$1.08 for spirits. Obviously I would be advocating for some move on that front outside the scope of this inquiry. I think where we get to preloading it is cultural. The key there is the cultural education of our young people. I try and tell my kids, "Look, intoxication is a by-product of socialising; it is not an objective. If you have that as your objective then you are missing out on something". Sometimes I may well become intoxicated because I am with friends and drinking some nice wine, but it is a side issue and no detriment to anybody other than possibly myself.

The CHAIR: Just on that: If education is part of the solution, if you like, or part of the program is that something that your members would be prepared to fund, support, run, participate in?

Mr WAGSTAFF: Absolutely. Some already do, in terms of their schools program. Part of one of the issues we have, with due respect to those witnesses who have appeared before, is that there is no need for an adversarial situation between alcohol industry and public health people. There are some public health people who say we should not even appear before this inquiry, that we are self-interested.

The CHAIR: Yes.

Mr WAGSTAFF: We are open to cooperating with governments, schools—anything in terms of better educating young people about alcohol.

The CHAIR: Thank you very—

Ms YAZDABADI: I echo those sentiments from my members as well. We would be very interested in Government partnerships and any way we can feed into the process.

The CHAIR: Terrific, thank you. We have to finish there. Thank you so much for appearing today and for your evidence in your written submissions. The Committee may wish to send you further questions in writing, the replies to which would form part of your evidence. Would you be happy to receive those?

Mr SELZER: Yes, definitely.

Mr WAGSTAFF: Yes.

Ms YAZDABADI: Yes.

The CHAIR: I do not think any questions have been taken on notice so we do not have to deal with that. Thank you.

(The witnesses withdrew.)

ANTHONY SALVATORE TRIMARCHI, Manager—Policy and Government, ClubsNSW, affirmed and examined

JOHN RAYMOND GREEN, Director, Liquor and Policing, Australian Hotels Association NSW, affirmed and examined

JOHN WHELAN, Chief Executive Officer, Australian Hotels Association NSW, affirmed and examined

WES LAMBERT, Chief Executive Officer, Restaurant and Catering Industry Association of Australia, affirmed and examined

SIMON SAWDAY, Senior Policy Officer, ClubsNSW, affirmed and examined

The CHAIR: Thank you all for attending today and for providing Committee members with written submissions prior to today's hearing. We appreciate the time you have put into those. I invite each of you to make a short opening statement if you wish—the emphasis being on "short", as the more time we give to opening statements the less time members have for questions.

Mr WHELAN: Thank you for the opportunity to appear today. With me from the Australian Hotels Association [AHA] is John Green, our director of liquor and policing. The AHA represents 200 venues in the CBD and Kings Cross precincts. Some 160 of these venues are authorised to trade after midnight and 115 of them after 3.00 a.m. We do not support blanket measures such as the lockout, which unfairly penalises many good businesses with impressive compliance records. We are concerned that these laws and the term "lockout" have negatively impacted Sydney's reputation. We strongly believe steps need to be taken to restore Sydney as a vibrant, open and global city. However, we do believe that bad operators should face appropriate sanctions. They damage the reputation of our industry and also our city. It is important to note that Sydney has changed considerably over the past five years. Many venues have now closed. There has been a net loss of 176 venues in Kings Cross and the CBD. The Kings Cross of five years ago is gone forever and will not return. The ability to move patrons from the precinct has improved dramatically. Uber in particular has changed the game. Today patrons can leave immediately and avoid frustration in taxi queues.

We have seen an improvement in the working relationship between venues, police and liquor and gaming. There is also now a clear recognition from venues that bad operators will not be tolerated. I also believe that we have seen a cultural shift in patron behaviour as people have recognised that poor behaviour is not acceptable. We note that over the past five years Sydney has proven it can operate late at night in a safe manner. New Year's Eve and the Mardi Gras are examples of this and common features of both of these events have been public education, high-visibility policing and late-night transport. Moving forward, if there is to be change, we need to ensure that it works. All stakeholders need to continue to work closely together—licensees, police, health, liquor and gaming and council. Venues need to continue to be responsible with a focus on the responsible service of alcohol and preventing intoxication. We need to continue to make it clear to patrons that poor behaviour is not tolerated and we also need responsibility from patrons.

As mentioned, we believe that rogue operators, rather than all hotels, should face appropriate sanctions. The Liquor Act already has significant teeth, ranging from licence cancellation to license suspension and bans to licensees, as seen recently in the Kings Cross area. We also note that the Liquor Act already allows the imposition of lockouts on individual venues. Finally, we support a number of positive changes, including increased high-visibility policing, late-night rail options, improved communication between venues regarding patrons moving between venues and allowing hotels to manage intoxicated patrons in the venue with water and food, rather than throwing them out on the street. Further proposals and details are included in our submission. Thank you again for allowing us to appear and we are happy to take questions.

The CHAIR: Thank you. I appreciate your submissions and the points you have made.

Mr TRIMARCHI: Thank you for the opportunity to appear before the inquiry today. I am joined by my colleague Mr Sawday. ClubsNSW is the peak body that represents New South Wales' 1,347-odd not-for-profit registered clubs. There are 16 clubs in the Sydney CBD and none in Kings Cross. They have a collective membership of 45,000 people. It is important to note that the majority of those clubs do not trade late enough to be directly impacted by the suite of measures that were introduced in 2014, including the lockouts. Clubs are often very large and trade late, often seven days a week and they experience significant foot traffic—126 million visitations were recorded in 2015. They are also very safe. Data from NSW Bureau of Crime Statistics and Research [BOCSAR] tells us that the incidence of alcohol-related violence in clubs has fallen by 56 per cent since 2008 and, to give some context, last year there were eight and a half times more alcohol-related assaults in the Sydney local government area [LGA] than in all clubs across New South Wales.

BOCSAR data also shows that since 2008 there has been a significant decline across New South Wales in alcohol-related violence—a reduction of 51 per cent. Over that same period, alcohol-related assaults in the Sydney LGA have fallen by 41 per cent. It is important to note that this decline was underway well before the 2014 measures were introduced. The BOCSAR data indicates that that decline is consistent with the long-term State average and does not appear to have been accelerated by the measures that were introduced in 2014. ClubsNSW believes that the BOCSAR figures demonstrate the overwhelming success of the Liquor Act and the broader liquor regulatory framework, which promote targeted enforcement and collaboration between stakeholders including clubs, pubs, other industry venues, the government, police, local councils, residents and many others. This collaboration often leads to tailored local solutions to curb local alcohol-related issues.

ClubsNSW appreciates that the measures that were introduced in 2014 were well-intentioned and designed to curb acute violence and antisocial issues in that specific area. However, we do not believe that they should apply in a blanket or one-size-fits-all basis. Responsible venues, such as clubs, should not be forced to comply with the uniform set of measures that do not address any of their specific circumstances because a small minority of venues, which are recalcitrant, have been unable to meet legislative or community standards. The way in which a venue is managed is the most important factor in mitigating the risk of alcohol-related violence and the Liquor Act, as has been flagged already, contains a suite of measures that can be taken against the venue in a targeted way. Our submission articulates some of those. Likewise, the Act also empowers authorities to take action against individual wrongdoers. The reality is, some people seem to think that violence and antisocial behaviour is acceptable and they have no respect for other people or regard for the consequences of their own actions.

ClubsNSW recommends that rather than treat all venues the same, authorities utilise those extensive, targeted enforcement powers in the Liquor Act to take action against both troublesome individuals and venues on a case-by-case basis. More broadly, we also believe that the current framework for how noise complaints are handled is complex and duplicative and serves as an impediment to clubs hosting music and entertainment. Clubs are also in the unique position, as our submission raises, of having to include payments to contract entertainers and the calculation of their work as compensation premiums. That means that clubs pay significantly more than any other licensed venue to put on entertainment, placing them at a competitive disadvantage to hotels and others. We appreciate those issues are not strictly related to Sydney and the night-time economy and the latter is certainly unique to clubs. But they both serve as a barrier to clubs putting on more entertainment and music and thus we believe that they warrant consideration by the Committee.

The CHAIR: Thank you.

Mr LAMBERT: Restaurant and Catering Industry Association of Australia is the peak industry association, representing 17,000 restaurants, cafes and caterers in New South Wales and thousands in the CBD and Kings Cross areas, serving millions of meals every day. Restaurant and Catering recommends the lockouts and area restrictions on the Sydney CBD and Kings Cross be removed and are in support of the Australian Hotels Association NSW, ClubsNSW and Night Time Industries Association submissions. The lockouts say, "Sydney is closed for night-time business". The international reputation of Sydney as a modern, in-touch, vibrant city has faded and it must be restored before it is too late and domestic and international inbound tourism continues to go down. The word "lockout" has branded Sydney as closed.

Sydney hosts many of the highest profile night-time activities in the world, including the New Year's Eve show on the harbour, the annual Gay and Lesbian Mardi Gras parade and Vivid, just to name a few. When the lockout laws are relaxed for those events, Sydney has proved time and time again that it can function safely and profitably without the need for lockouts. If we do not act quickly to remove the word "lockout", Sydney will simply not re-establish its global brand, earned over decades of hard work. The New South Wales Government website notes:

New South Wales is a crown jewel in one of the world's premier tourist destination. Where else in the world can you visit stunning city landmarks such as the Opera House and the Harbour Bridge, then drive for only a few hours to take in breathtaking natural beauty and enjoy perfectly fresh produce?

More people visit NSW than any other state or territory in Australia, for holidays, business and events, and to visit family and friends. According to Tourism Research Australia, just over 50% of the 8.6 million international visitors to Australia in 2016–17 spent time in NSW.

[It] contributed \$34.5 billion to the NSW economy in 2016-17 ... [which was a] third of tourism's contribution to Australia's GDP.

What we see and hear from our members in Sydney is that it is being openly mocked by tourism campaigns of other States—cities like Melbourne say that they are a 24-hour airport and 24-hour nightlife city. The economic cost is widely known: The net closing of businesses in Kings Cross and the CBD is 176 and footfall has diminished as much as 60 per cent in Kings Cross and 80 per cent if you count Oxford Street. Further, a Deloitte Access Economics study shows that the night-time industry, which is worth \$27 billion—230,000 jobs—could be worth as much as \$43 billion. That is a shortfall of \$16 billion. If you apply the City of Sydney report from Ingenium,

which says 13 per cent of that is restaurant related, then that is \$3 billion a year every single year in restaurant revenue that is missing. If you apply it just to the \$16 billion shortfall, it is an additional \$2 billion. That is a lot of tax dollars that are being missed out on; a lot of GST that is being missed out on.

I will not speak about transportation, those issues have been well addressed and I will not speak about the crime statistics as those have also been well addressed in many submissions. Sydney needs to be open for business again, for investment in the restaurant, cafe and catering industry. We should heed the words of then Victorian Minister for Liquor Regulation, Jane Garrett, who characterised the attempt impose lockouts on Melbourne as a disaster for the fabric of our social and cultural identity.

The CHAIR: Thank you.

The Hon. JOHN GRAHAM: Thank you for your submissions. One of the things that has been the subject of widespread agreement from everyone who has put in submissions is that if we can make the economy in Sydney after dark more diverse, that would be a good thing. So, less about the drinking and a range of things to do. That is one of the things we have lost the most of, when it comes to entertainment and music that is getting squeezed out of Sydney. We have less entertainment venues, as you have said, but there is less entertainment in the venues we have as well. What can we do to really turn that around as part of getting this balance right and actually making things safer?

Mr WHELAN: I will jump in first. I think one of the real issues that we have in terms of getting live music going and increasing the availability of entertainment in our venues—and, we agree, it is so important; it is part of our culture—one of the real issues is the noise complaint system that we have at the moment. We really need to have a good look at it. You have various agencies—you have Liquor & Gaming NSW, you have the police, you have local government—all having a say in the noise complaint process. It makes it easy for someone who has an issue to shop around and find an agency that is sympathetic to their argument. There is also not consistency in the way that they all work.

The Liquor Act, for example—and we believe this is very important—places significance on the order of occupancy when they are considering a noise complaint, whereas other pieces of legislation do not. We really believe that, in terms of trying to reinvigorate the live music scene and the entertainment that we see not just in Sydney but right throughout New South Wales, we would really like to see that noise complaint issue looked at from a whole-of-government perspective.

The Hon. JOHN GRAHAM: That potentially makes things safer. That helps shift that balance, would you agree with that?

Mr WHELAN: Yes.

The CHAIR: Just on that point, we heard evidence from the Inner West Council about an approach that they take, which is a voluntary approach of their members—I am not sure if you are familiar with it? I ask you to comment on it in relation to your members in the CBD and Kings Cross, potentially. It is a voluntary situation where they get together and if there is a noise complaint between a resident and a licensee, they will actually make them sit down and have a coffee or even a beer and have a chat first, before they will progress the complaint more formally. This is akin to, somewhat, the legal system, where, before you are allocated a hearing date for a matter, you are obliged to sit down and have a compulsory mediation. Could you comment on that? I took on board your comment that all of us that need to be working on this as a group problem. Can you comment on that approach and how you think that might deal with the noise complaint issue?

Mr GREEN: Yes. I will comment on that. The Good Neighbour policy in the inner west region is an effective policy, because much of the legislation—either the Environmental Planning and Assessment Act and the Liquor Act—is driven around complaints. What the Good Neighbour policy says is, "Before you get to the complaint stage, what is your main issue?" So that is where you sit down and have a beer or a coffee and try and nut out what the actual issues are, and deal with it before it gets to a formal complaint status. That has been quite effective in the inner west. It is something that is adopted right across New South Wales in many cases, particularly with the regulatory agencies, but complainants are given all of those tools to complain.

I think that a process where the first step is to see if those issues can be resolved is quite important. When I am dealing with our members and they raise an issue, I make sure that they have a telephone number so that people can contact at night if they have an issue. It might be as simple as closing a window or turning a speaker around to face another direction. Yes, we are quite happy with that.

Mr GEOFF PROVEST: I used an example, Mr Whelan, of one of your members when we have the City of Sydney in here and a residential block was built next door and they had to shut down their barbecue on the roof because of the smell of the steaks cooking. They were advocating that they were agreeable to look at

things in the future where if you do build a residential block next to a pub or a club that you would have to have extra soundproofing. It is a bit like restauranters, it is a bit like being in that—it is like the right to farm. If you go and build next to a pub, a club or a restaurant, bear in mind that you could experience some noise. Would you guys be in favour of that?

The reason I am asking that is that if there is any change to the lookout law, and coming from the industry, you are going to need a lot more to regenerate that night-life activity here rather than just saying, "We are just changing the law and business will come back". You are going to need, as Madam Chair said, to work with local government, with State Government, change the planning, give you some sense of protection of your investment into the future.

Mr GREEN: Yes. That is the agent of change principle in the City of Sydney's reinvigorated late-night development control plan—that is part of it. That, as a developer looks at a building, they put in double glazing and they look at those issues. Occasionally we deal with complaints about venues that have been trading since 1843 and someone moves into the area last year and thinks they can make a complaint. It does come back to our standard that everyone needs to be at the table—planners, the business chamber, the various stakeholders, including police, health and industry—in making sure that these issues are covered.

Mr GEOFF PROVEST: Because you are going to get some complaints. You are never going to satisfy them, full stop.

Mr GREEN: Absolutely.

Mr LAMBERT: I live in Potts Point and I know that it is going to be slightly noisier than a suburb that is way out in the middle of nowhere. It is important that all stakeholders understand that in an area with a high concentration of businesses, where many new residential towers are coming in or where residents are changing, that they understand that you are moving into an area that is high traffic and high business, and that those conversations need to be happening in the beginning, rather than punishing the businesses straight away for the sake of new residents.

Mr TRIMARCHI: The point you raise is quite pertinent. There is no real test for a complainant to demonstrate that they have taken steps to resolve the matter with a venue prior to lodging it with an agency. Feedback we often get from our members is that first they have heard of a complaint is when they have been served papers, and if only they had known. I suspect nine times out of 10 these things can be resolved quite amicably.

The CHAIR: I will lift it above just noise complaints, though, and take it to a higher level. You talked about stakeholders working together. We have heard a bit—and we have some information—about the Melbourne accord. Can you comment on that, whether you think there is enough in place at the moment, is that working or could there be something better in that space?

Mr WHELAN: John Green is heading down to Melbourne very shortly for their next meeting, so I will let you discuss that.

The CHAIR: It is not a global city, but it is okay.

Mr GREEN: Obviously, currently in Sydney we have a range of liquor accords, but other Government working groups that industry associations will sit on—

The CHAIR: There seem to be a lot of things floating around, but are they working, are they talking?

Mr GREEN: Liquor accords, particularly the five liquor accords within the Sydney CBD area, are working quite effectively with their local police. The idea of the Melbourne Forum, with, as I said, a delegation—Assistant Commissioner Willing will be coming down with me, Libby Harris from the City of Sydney, Liquor & Gaming NSW personnel as well as a licensee from the Rocks—we are going down to see how their forum works. It is much more at a strategic level. Rather than the down on the ground and the operation of when you put your bins out, this is looking at the strategic issues and bringing on board the fire brigade, the City of Sydney Council, planners, business chambers, industry associations, the industries themselves as well as police and health.

The CHAIR: All at the table.

Mr GREEN: They all come together, they look at the strategic issues and the direction of the city. Now, obviously, Sydney is quite larger than Melbourne, so that is something that would obviously be strongly looked at. We have the City of Sydney area. It is probably a footprint or a template—whether Double Bay sits in that as well—that we will have a look at down in Melbourne on 28 August when we go down there.

The CHAIR: I would love to hear more about how that goes.

The Hon. BEN FRANKLIN: I would like to raise a couple of issues and throw them open to anyone who wants to respond. They are both different. The first is regarding Kings Cross. Mr Whelan, you made this comment, that "The Kings Cross five years ago is gone forever and will not return". This is a fundamental point of contention in this inquiry: If some of the restrictions and regulations that we have implemented are relaxed, whether Kings Cross, like a rubber band, just bounces back to the way it was, or whether it has now fundamentally changed and cannot revert to that. I would be interested in your views and any evidence or specifics that you can give us to back up your claim.

Mr WHELAN: Sure. I think what we have seen over the last five years is significant change in the Cross. Many of the troublesome venues have now closed. It has become a lot more residential. We have seen when applications have been made—I know that a hotel recently made an application and they had great difficulty in receiving approval because of the influence and the role of the residents of Kings Cross—they have a very strong voice now—who have moved in. The hotel had great difficulty in receiving approval there.

I think the cultural change has been made as well. I think you have seen a shift of patrons visiting the area. I went to a restaurant in Potts Point about a month ago and we walked over and had a drink in a wine bar and then we wandered up to the main street. This was on a Saturday night. There was absolutely no-one around. They have missed—I am sorry, they have not missed—but that generation that are going to Kings Cross for a long period of time have not been going there for a number of years now. So you have had that break in terms of people going to the Cross because of what it had to offer in the past. That has all gone and we do not think that trend will re-emerge.

The Hon. BEN FRANKLIN: Does anyone else want to say anything?

Mr LAMBERT: Transportation. Uber did not exist five years ago. If you were in a venue and you came out once the last train left, you just had to stay there. I lived at 1 Tewkesbury, steps away from Kings Cross at that time, and the streets were filled with people because they just did not have transportation to go back to the suburbs where they had come from earlier in the evening to dine and then go out. The proliferation of transportation options to clear the streets when the venue is closed has totally changed the landscape of the number of people who are still on the streets at two, three, four in the morning.

The Hon. BEN FRANKLIN: My second question is about managing patrons with food and drink—food and water, I should say—which somebody mentioned.

Mr WHELAN: Yes, that was us as well.

The Hon. BEN FRANKLIN: My question is around the groups represented here, who represent basically all of the major venues in this area. What responsibility do venues have to provide water and drink? Can more be done? Is there something that out of this inquiry process you would all, as key leaders in your different venues, be prepared to consider upping the level of responsibility and the level of service that you give in terms of providing complementary water and food late at night?

Mr WHELAN: In short, yes. Yes, we would. The reason we added that into our submission is something that we actually feel quite strongly about. The intoxication laws are very strong in New South Wales and the penalties for serving an intoxicated patron, or having them even on your premises, are very severe. We do not feel comfortable with the situation we have now where someone might have preloaded and then come in and became intoxicated while on the premises. At the moment the hotels actually have to throw these people out on the street and we do not think that is the right thing to do. We would much prefer a situation where a hotel would have the option to sit that person down, give them some water, keep them with their friends, certainly do not allow them to drink any more alcohol, but just manage them rather than just abandon them and throw them out on the street. That is why we included that in our submission. It is something we do feel very strongly about, but we would also be very open to supporting other measures that we could take to support patrons.

Mr TRIMARCHI: That is something that we agree with, absolutely. Sometimes it is important to acknowledge that it might not be in that individual's best interests and their safety for them to be excluded from or removed from a venue immediately.

The CHAIR: Or the taxi driver's or the Uber driver's interest.

Mr WHELAN: Absolutely.

Mr LAMBERT: Yes.

Mr TRIMARCHI: Absolutely, or the people on the street. There are circumstances where placing them in the venue, certainly cutting off access to alcohol but giving them the opportunity to sober up a little bit and then move on or move back in would be really welcome. We would really welcome that.

Mr GREEN: Obviously under the Liquor Act, yes, wherever liquor is sold, food and water must be available. Over the years many local Liquor Accords looking at those local issues have implemented either their own programs or there are companies out there that do interventions in relation to at start of shift identifying where the groups are that might cause issues later in the night and engaging with them. It is part of good staff training, good RSA, that you intervene, you speak to the people, you know what sort of nights people are having. I know Diageo had a Better Nights Program a few years ago that was about actively promoting the supply of water. A lot of venues provide food free of charge as part of their nightly process, just ensuring that people have a good time. It is not all about alcohol: We all acknowledge that. It is about the entertainment. It is about all the services and keeping people on the site and enjoying their night.

The CHAIR: A kebab shop on every corner. Thank you.

Mr GUY ZANGARI: Mr Whelan, since the lockdown laws came in, in your submission you said that there was a net loss of 176 venues.

Mr WHELAN: Yes.

Mr GUY ZANGARI: That net loss here, has that been a gain of growth for your members in greater metropolitan Sydney as a result of diversification of offerings that your members are giving? Has there been an increase in that sense?

Mr WHELAN: That we have noticed?

Mr GUY ZANGARI: In other areas, yes—your members.

Mr WHELAN: Areas outside the lockdowns?

Mr GUY ZANGARI: Yes.

Mr WHELAN: I do not have any figures but it certainly has not been reported to me that they have seen significant growth as a result.

Mr LAMBERT: Per the ABS, three years ago the entry-exit was 2,850. Last year it was 2,500. Two years ago last year, it was 1,425. The industry is shrinking. It is not necessarily growing other venues outside of necessarily the lockdown area. It is affecting the industry in total.

Mr WHELAN: And overall we have an attrition. We have had a number of hotels close across the State each year. The number of hotels is not growing. There might be a handful that are approved each year but there are significantly more closing each year as well.

Mr GUY ZANGARI: With the offerings, though, there is massive potential, obviously, for day time—no doubt about it—but night-time too in bringing different clientele and families into venues in order to make it friendly for the entire community. That also includes our visitors as well.

Mr WHELAN: I think you have seen in the hotel industry and I think in the club industry as well there has been a hell of a lot of investment over the last probably decade or 15 years where hotels have changed from being a venue where it is a male-dominated venue where guys are standing at the bar drinking schooners. A lot of investment is being made ensuring that the food offering is very good and that the facilities are welcoming of families and females. That has been a great thing of the hotel industry over the last 15 years.

Mr TRIMARCHI: That is something that we have seen as well. A very big focus has been placed in our industry certainly on improving the food offering and the other amenities that are available to make sure we are seen as safe and family-friendly. To your specific point about other purposes, a great case study is the City Tattersall's Club, which is in the CBD precinct. If anybody has been to that club, it is a very large venue. It has a lot of foot space. It is hosting this year's Fringe Festival, I believe. They are turning parts of that club into, essentially, an art gallery. They are opening that space up to a community or certain groups which might otherwise not have gone in. It can unlock their space and their potential.

Ms CATE FAEHRMANN: I have a question for the Australian Hotels Association. In your submission on pages 18-19, you want to draw the Committee's attention to illicit drugs. I think you have some research that says that illicit drug use has increased over the past few years. Figures from the Bureau of Crime Statistics and Research since 2008 show cocaine has risen 689 per cent and ecstasy is up 388 per cent, and you also suggest that it may be because of the comparative affordability of drugs now compared to alcohol. You say this is something that we need to look at because of the link between what you say is illicit drug use and aggressive behaviour. Are you suggesting that alcohol-related violence is comparative to, for example, ecstasy- or MDMA-related violence?

Mr GREEN: I think the issue is more, rather than saying alcohol-related violence, it should be antisocial behaviour and criminal behaviour. Rather than putting a tag that is normally—

Ms CATE FAEHRMANN: Sticking to MDMA, for example, which you have suggested to us—like you have specifically outlined things like ecstasy 388 per cent increase. I mean, there is no comparison, is there?

Mr GREEN: The fact of the matter is that in terms of illicit drug use across New South Wales in the last decade it has been increasing at a disturbing rate.

Ms CATE FAEHRMANN: In terms of violence, Mr Green.

Mr GREEN: In terms of violence. And if we are looking particularly at crystal methamphetamine, so ICE, there is no doubt about the behavioural change in a person affected by crystal methamphetamine. If you speak to the police, you will find that the behaviour is significantly more violent, more aggressive and more problematic for both New South Wales police but also for venue staff at the door of licensed premises where they are refusing people who are displaying signs of intoxication from drugs or alcohol on entry—

Ms CATE FAEHRMANN: Certain types of drugs.

Mr GREEN: —or after metabolising. There is also in terms of mixing both stimulants and depressants—so MDMA perhaps and alcohol—particularly in my former life when speaking to medical experts, that the behavioural change of people who are mixing stimulants and depressants to make them party on later into the night causes significant difficulties for licensed premises as well. It is something that needs to be identified, when price becomes an issue as well and they are turning to illicit drugs and even prescription drugs—fentanyl, rohypnol and other drugs—and mixing it with alcohol so the night can be extended then there are issues arising from that.

The CHAIR: I have a question about scanners and ID. I appreciate you are all appearing here together today but I would like to juxtapose the position of ID when you enter a club with the scanners in the Cross. We went to see Kings Cross police and they said, "The scanners are great because if an incident happens in a venue we know who is inside and we know where to start." It seems that there is some evidence around scanners being expensive, confronting and difficult but then I look at the position with clubs where you walk in and there does not seem to be that angst and aggro around signing in. I ask clubs and venues to comment on that because it might be that one of the options to consider in terms of community safety is scanners. How do we deal with the expense and the confrontational aspect of them?

Mr TRIMARCHI: In order to enter any club you have to sign in. A number of clubs have ID scanners. Many more still have the old register books where you physically enter your details if you are a visitor and in you go. We think that works well. It is a longstanding practice. It is well accepted that if you want to enter a club you have to sign in and provide your ID. That means you are not anonymous in the venue. They know you are there. Typically you are better behaved. I cannot speak for Kings Cross. Again, we have no venues in there. But signing in clubs has been around a very long time. We think it is a very effective mechanism to control behaviour.

Mr GREEN: In relation to identification scanning there is no doubt that across New South Wales there are individual venues that make a decision to implement identification scanning and particularly venues that may have had individual issues or problems over the years. They have implemented that, that has removed some level of anonymity and it has addressed their issues of aggression and antisocial behaviour. Up in Kings Cross it was designed to impact upon aggression and antisocial behaviour. But what we have got is rather than using the Bureau of Crime Statistics and Research to identify the times to operate the scanners they are operating from 9.00 p.m. until the commencement of the next day's trade, so technically 5.00 a.m., seven days a week. If you have a hotel with five entrances at nine o'clock at night you reduce your entry to one door. You have got staffing that comes in; you have cost that goes in there. But there is also legislation covering—

The CHAIR: Can I interrupt? It is just my ignorance—is that because it is too expensive to put them at each door and do you get an influx of people at nine o'clock?

Mr GREEN: Or you have people who have entered prior to 9.00 p.m. who have not been ID scanned. If you are trying to impact upon, say, criminal behaviour—which in Kings Cross it is organised crime behaviour—and you only have 14 venues up there operating it and they are some of the larger venues then the criminal behaviour might be occurring outside or, in the event, at the venue prior to 9.00 p.m. To answer your question, yes, if you wanted to operate an ID scanning machine at every door you would have to pay for the machine, pay for probably a door host and a security officer to operate it and—Kings Cross Accord will give evidence later—the cost of ID scanning every night is just exorbitant, when that ID scanning is now accepting some fake IDs, when that ID scanning system based on banning orders up from Kings Cross is not actually taking a photo of the banned person. You only have a name and an ID that has been presented.

The CHAIR: But at any premises at any time you can be asked to produce identification.

Mr GREEN: Absolutely. You can be. But if you are in a hotel or even in a club your entry is based on membership or temporary membership et cetera. If you are one minute over 18 in a restaurant or a hotel you do

not have to provide ID because you do not need it—you just need to be over a particular age. The other issue with identification up in Kings Cross—and you have seen the numbers in our submission and in Kings Cross Accord's submission—people just are not going there. What we have found is that after 9.00 p.m. you can be an international tourist going up to the Kings Cross or Potts Point area and if you do not have the right form of ID you cannot manually enter someone into the system; they just cannot come in.

If they are with five other people with the proper ID they will just turn and walk somewhere else and that is where they will go in. The quite stark figures are that people are just not going up to Kings Cross to enter those 14—of the original 35 it is now 14 venues only that have ID scanning because the others have either closed or some have exemptions. As I said, many of the venues that have scanning—some of the big hotels up there—have a zero compliance history. They have no problems and they are not operating scanners when the Bureau of Crime Statistics and Research data says they should be operating them and it is just crippling them up there, as one of the 36 measures that they had to implement.

Mr GEOFF PROVEST: In terms of just scaring patrons away and the costs of running them?

Mr GREEN: Yes, absolutely. And the fact that it is not actually even achieving totally its outcomes, which are to reduce alcohol related crime or criminal behaviour, because they can just go to another venue in the area. They can go outside that particular precinct. And it is actually now accepting fake IDs, so it is not—

The CHAIR: If it was better, cheaper technology—a scanner or QR code or something that was faster and easier, more cost-effective—is that something your members might consider?

Mr WHELAN: You still have the nanny state issue where a lot of people go out at night and they do not necessarily want to be tracked and identified. I know in clubs you need to sign in and identify yourself, but that—

The CHAIR: There just does not seem to be the angst around clubs is all I am saying. It is accepted practice.

Mr WHELAN: No, there is not. But the way that hotels have operated for many hundreds of years in New South Wales now is that you have not had to sign in and you have not had to identify yourself when you enter a venue. That is a path we would be reluctant to move down.

The CHAIR: I understand.

The Hon. BEN FRANKLIN: Would the AHA be prepared to consider—I know you would like the scanners to be taken away in toto—that they be implemented just on those recalcitrant venues that have issues of breaches of the liquor law and that can come in individually?

Mr GREEN: I think what we currently see under the Liquor Act is the ability to do exactly that. There have been examples of venues, both clubs and hotels, that have voluntarily done it and it has been effective in those individual circumstances. In relation to an identified recalcitrant venue the authority has the ability to impose those measures now. If it is not a blanket measure then it meets the needs of the Act, which is to identify and improve behaviour of those individual venues.

The CHAIR: Surely it forms part of security costs as well, does it not? A lot of businesses spend a lot of money on CCTV, from retail through to late night venues. Does it not form part of the security costs? If it was possible to get that cost down and make it reasonable via some technology, is that something you think would be considered?

Mr GREEN: Again what you see is all venues want to operate in compliance with the law. If they have an increase in violence or antisocial behaviour the New South Wales police or Liquor & Gaming will be knocking on their door and that is what we do see. There is a small number of venues across the State—and it was mentioned this morning—that cause use of an exorbitant amount of police time and issues in relation to this issue. They put in more security. They put in better CCTV. They put in other measures to reduce those issues. And that is where the Liquor Act has teeth to deal with those individual venues causing problems.

The Hon. JOHN GRAHAM: I am not going to ask you, Mr Trimarchi, about the evidence Clubs NSW has put in, but I want to thank you for it. I am going to ask BOCSAR about the information you have put in showing the assault rates dropping outside New South Wales more strongly than in the affected areas, so thank you for that. The real question I have for this group of witnesses, and we have talked about it a little already, and I agree with the Chair that we will be interested to hear after 28 August about the trip to Melbourne, why is it that Melbourne seems to be able to manage these issues better and we are absolutely struggling with them in Sydney at the moment? This is a complex area. There is a lot of regulation. There are different city cultures. But why is it that Melbourne seems to manage and we are stuck having these arguments?

Mr WHELAN: I do not have an answer for you but I think having this Committee here today is a very good start. I think everyone is here with the absolute best intentions. We want a safe city but we do want a vibrant city going forward. This is a great step for New South Wales to have this Committee and this hearing so that we can move forward in a positive manner.

Mr LAMBERT: The solution may have been a sledgehammer that broke more than it fixed, so now you put in this solution that is very restrictive. Melbourne never did that. They worked through the issues one at a time, a venue at a time—as has been said they targeted the venues that were consistently breaking the law and consistently causing problems—but when you put a one-size-fits-all solution you are certainly going to close more businesses than you expected to close. You are certainly going to affect the night-time industry more than you expected to affect it. But then you have to ask what worked and what did not work. Let's continue to do what is working but you have to roll back the severe restrictions because they will end or ruin those particular areas as far as a night-time industry goes.

The CHAIR: Thank you. We will finish there. We appreciate you appearing before the Committee today. We may wish to send you some additional questions in writing, the replies to which will form part of your evidence and be made public. Would you be happy to provide a written reply to any further questions?

Mr WHELAN: Yes, of course.

Mr GREEN: Yes.

The CHAIR: Thank you for your time appearing today and for your written submissions.

(The witnesses withdrew.)

(Luncheon adjournment)

TONY SARA, President, Australian Salaried Medical Officers Federation of NSW, Last Drinks Coalition, sworn and examined

GERARD HAYES, Secretary, Health Services Union NSW, Last Drinks Coalition, sworn and examined

BRETT HOLMES, Secretary, NSW Nurses and Midwives' Association, Last Drinks Coalition, affirmed and examined

PAT GOOLEY, Secretary, Police Association of NSW, Last Drinks Coalition, sworn and examined

CAROLE FERRIER, Committee Member, 2011 Residents Association Incorporated, affirmed and examined

PATRICK McGRATH, Member, 2011 Residents Association Incorporated, affirmed and examined

The CHAIR: I now welcome representatives from the 2011 Residents Association and Last Drinks Coalition. Thank you for appearing before the Joint Select Committee into Sydney's Night Time Economy to give evidence. We appreciate your prior written submissions to the Committee and your energy and time today in providing evidence to us. Can you please confirm that you have been issued with the Committee's terms of reference and information about the standing orders that relate to examination of witnesses in a parliamentary inquiry.

Mr McGRATH: Yes.

Ms FERRIER: Yes.

Mr GOOLEY: Yes.

Mr HOLMES: Yes.

Mr HAYES: I have.

Dr SARA: Yes.

The CHAIR: Do any of you have any questions about that information or the process? No questions—lovely. Do any of you have a short opening statement to make to the Committee? I see there are two. I ask you to keep them brief. We have a number of questions for you and the longer we spend on opening statements the less time we have to ask you questions.

Mr GOOLEY: I am the Secretary of the Police Association of New South Wales and I am a representative of the Last Drinks Coalition and Keep Sydney Safe campaign. I am joined here today by other members of the coalition representing emergency service workers—Mr Brett Holmes, from the NSW Nurses and Midwives' Association; Gerard Hayes from the Health Services Union representing paramedics; and Dr Tony Sara representing salaried doctors, particularly in emergency departments. I worked as a police officer for 22 years. The latter part of my career I was at Kings Cross. I was there prior to the modest alcohol laws coming into force.

I would like to read you part of something that I originally wrote five years ago—just before these alcohol laws were introduced—when the debate about whether they should be introduced and whether something needed to be done was raging. On New Year's Eve, 2013, I was working as a police officer in Kings Cross. At 9.20 p.m. I was standing on Victoria Street at Potts Point being briefed by a team that had just done all they could to save the life of a young man, Daniel Christie. As we put the crime scene tape up it was lost on no-one that we were tying it around a light pole bearing a tribute to Thomas Kelly. While we were standing there we were alerted to a brawl just around the corner. With their uniforms still stained with the blood of Daniel Christie, my colleagues sprinted to the scene to prevent another tragedy before returning to stand at their post guarding the crime scene. Almost on the stroke of midnight the crime scene officers finished their grisly work. They secured their exhibits and very solemnly wished each other a happy New Year. They went back to the station, changed their blood-stained uniforms and went back to work. I, too, continued dealing with the drunken masses that night.

At about 4.15 a.m. I attended St Vincent's emergency department. I checked on some police who had an agitated mental health patient in the back of a police truck because there was no suitable ambulance to convey that patient. As I entered the department I can only describe the scene as a zoo. I spoke to some of the doctors and nurses who had worked so hard to try to save Daniel Christie. They were angry and they were run off their feet. Daniel was one of many young, predominantly male patients that had been brought in that night who had been assaulted and had serious head injuries. They were angry because they knew there was a way to significantly reduce alcohol-related violence but, as they put it at the time, the New South Wales Government did not have the guts to do anything about it.

While I was there the doctor in charge of the emergency department told my police colleagues that they would simply have to wait—there were not enough beds to bring in their patient and he would have to wait in the back of the van. I do not know how long he waited there, but I know it was because of the absolute drain on emergency services resources due to alcohol-related violence. After my shift finished I caught up with some colleagues briefly. One police friend had a lump on her cheek and a black eye. She had been punched in the face at Darling Harbour. She shrugged it off and had a laugh, but I did not. She was one of many emergency service workers who were assaulted that night. When I got home I hugged my family before trying to get a couple of hours sleep. My wife asked how my night had gone and I simply told her, "Watch the news. It happened again." She knew not to ask anything more.

My colleagues here will give you some more information on the statistics and the impact it has on emergency service workers, but I wanted to open with a little insight into what it was like working the front line before these laws came in. I unfortunately had a large repertoire of similar stories. The modest alcohol laws currently in place will not guarantee that no-one is ever killed again, but they have significantly reduced the risk of it happening, and for alcohol-related violence the statistics are crystal clear. Assaults in Kings Cross have decreased by almost 94 per cent between 3.00 a.m. and 6.00 a.m. and St Vincent's has seen the number of patients admitted with serious head injuries reduce by 50 per cent between 8.00 p.m. and 8.00 a.m.

The incidence of indecent and sexual assault in Kings Cross have also reduced by almost half. You cannot argue with those facts. Lives are being saved. Fewer families are being torn apart. It is not because no-one is going out. It is because the way we go out has changed. Our resources are also being freed up. Prior to the laws coming in, 40 additional police were brought in from the suburbs every Friday and Saturday night just to deal with Kings Cross drunken violence. Those cops have now been freed up to go back and police the suburbs they are meant to be serving. I remember the pre alcohol law days vividly and I cannot bear imagining going back to them. Sydney deserves a dynamic, enjoyable but, above all, safe night life. Our Government has a responsibility to keep people safe, and we know these measures work. Rolling them back would be irresponsible, to say the very least.

Mr McGRATH: We will not be presenting tables, graphs, statistics or charts. Instead, our submission tells you, hand on heart, about the lived experience of residents during almost eight years of being a vibrant night-time economy, which in Kings Cross meant a 24/7 alcohol economy, when it was forced into our tiny suburb back in 2008. The first point I would like to make is this. Wilson Duque Castillo, aged 33, was bashed and killed in 2010 in Bayswater Road, King Cross. Calum Grant aged 46, was bashed and killed in 2011, in Darlinghurst Road, Kings Cross. Thomas Kelly, aged 18, was bashed and killed in 2012 in Victoria Street, Kings Cross. Daniel Christie, aged 18, was bashed and killed in 2013 in Victoria Street, Kings Cross—in the same spot as Thomas Kelly. Lucio Rodrigues, aged 34, was bashed and killed in 2013 outside a bar in George Street, Sydney.

The members of the Committee here have a responsibility to the people of Kings Cross and wider Sydney to ensure that these five victims are never forgotten and that this can never happen again. Second point: Last Monday you heard from City of Sydney Council representatives with roles like night-time manager, strategic planning, cultural strategy. In Kings Cross from 2008 to 2014, we saw no managing or strategy or culture. We saw poor decision-making, a dire lack of planning, out-of-control drinking and violence euphemistically called "vibrant" by its promoters, including Clover Moore's council, but more correctly described by Malcolm Turnbull in 2012 as a war zone. One hundred and forty-seven liquor licenses were issued on basically two streets, plus a few small offshoots. Is that rational? That was saturation and density gone mad.

Nobody wants a 24-hour alcohol-based entertainment precinct forced onto their residential suburb, with all the ensuing adverse impacts. But if an area has to be picked for a night-time economy—and our thoughts and prayers go with them—there must be an unwavering focus on public health and safety for residents, employees, patrons, police and health workers as the number one priority, and not alcohol sales and license revenue for Government or private business. Any future entertainment precincts should be in low-residential, therefore low-impact areas like Barangaroo, Darling Harbour or George Street—the latter already having transport infrastructure in place with major hubs at the quay, Wynyard, Town Hall and Central.

Point 3: There has been much protest in submissions about the ID scanners in Kings Cross. They were introduced in 2014 to assist police to track and prevent known offenders from entering venues, and that is why Kings Cross continues to be safer today than it was 10 years ago. I have to show an ID and sign in friends when I visit my footy club in Bondi Junction, because there is alcohol and gaming on the premises. Why should Kings Cross be exempt? But the real issue here is the argument that because scanned patron numbers are down, then Kings Cross must be a ghost town. What a sad and dangerous way to measure a community's social and economic health: purely by counting the number of people entering bars. In 2016 we presented data to the Callinan lockout inquiry based on a meticulously done survey that showed 71 new businesses had opened in the two years since the lockout. This data was verified and accepted by that inquiry, and New South Wales Treasury officials verbally commended our data. As well, even more businesses have opened since 2016. In contrast, the evidence tended to

Mr Callinan by some of the most vocal critics of the lockouts—for example, about local venue closures and overseas liquor restrictions—was described by him as unreliable, and this current inquiry has also not been immune to that kind of misinformation campaign.

Today Kings Cross is not a ghost town. It is out of rehab and it is thriving. An example of that is council's decision in 2014 to spend over \$2 million on a superb outdoor children's playground in Fitzroy Gardens, metres from the El Alamein Fountain and the Bourbon and Beefsteak Hotel, which is described on council's website as being in the heart of the Cross. It is inconceivable that the State Government could reimpose a 24-hour alcohol economy in Kings Cross just metres from this sensitive community resource, no matter how many alcohol-free zone signs might be erected. The area has changed; it has moved on. There is no going back to the red-light sleaze and 24-hour alcohol-fuelled aggression of 10 years ago without putting ordinary families and lives at risk. Kings Cross must be quarantined from any changes to the existing 2014 liquor legislation and from any thought of opening it to 24-hour trading again. We have served our time. Finally, the lockouts are just like the flags on Bondi Beach: They are there to protect people's lives. Should the flags be removed because fewer people drowned last year? We may never know how many lives the lockouts have saved but, like the flags on Bondi Beach, that does not justify their removal. The lockouts save lives. Thank you.

The CHAIR: Thank you, Mr McGrath and Mr Gooley, for your opening statements. It is a great sadness to me that my children are too old now to enjoy a playground, but they are now at the precipice of being young adults. Whatever we do here, they will be people that are entering the early days of turning 18 not too far away. Please know that every member of this Committee feels the weight of responsibility of the task ahead of us and we very much appreciate your input. We do not for a minute take any of this lightly in any way. We appreciate your comments.

Mr ALEX GREENWICH: Just for disclosure of Committee members, Ms Ferrier and I are neighbours; we live in the same building.

The Hon. BEN FRANKLIN: We're so sorry, Ms Ferrier.

Ms FERRIER: It upset him more when I walk out with a Labor T-shirt.

Mr ALEX GREENWICH: Exactly. On polling day, we are at similar booths but on different sides.

The CHAIR: The noise complaint?

Mr ALEX GREENWICH: Although we may have a different approach to this issue, I do agree that the position we were dealing with at the time, before the lockouts were imposed, was an untenable situation and action did need to be taken. I also want to make sure that residents in your organisation are not misrepresented in the context of this inquiry and want to put to you and get your response to this: that people who do live in Kings Cross, that I represent and that live around us, understand that they are living in an area which does have a nightlife, which is going to be busy at times. It is densely populated and people actually want and appreciate living in a place which has a safe and vibrant day and night life. We all, people who live in the Cross, accept that. What we are talking about is making sure there is the appropriate balance to vibrancy and safety.

Ms FERRIER: Our group has been fighting for 11 years to get sanity in the area. We all know what it was like; it was in our submission. We have had to fight misrepresentation from various groups; I call them outright lies. We all know what we lived in and it was great. It is not suburban. We are an urban—we had the highest density and the greatest saturation in that era. There was always a bit of tackiness there. There was a good nightlife. Slowly it has grown up to—it is thriving now. There are a lot of new bars that have opened. There are restaurants. We have got more gyms than anyone else. It is a whole daytime economy now, as well as a night-time economy. We cannot go back to what it was before. I agree with you, Mr Greenwich: There are some people there that say we should have 24 hours, but they are not living on top of a nightclub that is blaring out music at 3 a.m. in the morning. We do not want 22,000 drunks roaming the streets again. We want a balance and we think we are getting that balance now. In fact, I think—as I said to Mr McGrath before—there is a touch of sophistication coming back into the area that there was before 2008. That is why we are here. We acknowledge, Mr Greenwich, we are not representing everyone.

Mr ALEX GREENWICH: Just to add to that, obviously you did give those stats from your survey. But as you do walk some of the streets—particularly Victoria Street, which we did—there are businesses that have closed.

Ms FERRIER: Yes.

Mr ALEX GREENWICH: I am not linking that directly to this issue. But in terms of support or stimulus that you would like to see from the State Government or the City of Sydney Council to support business, tourism and vibrancy in the area, would you have any suggestions there?

Ms FERRIER: We went to that meeting the other night with Clover Moore, the 20 to 15, and she acknowledged that the area is getting more and more visitors. They are even going to put benches there for visitors to sit on. Nobody has any objection to that. What we have objections to is nightclub music blaring out underneath every single building, drunks there screaming, shouting, urinating in our doorways, defecating in our doorways, vomiting.

Mr ALEX GREENWICH: They are testing the bells. You can still keep going.

The CHAIR: Did you see all of us pop up like meerkats?

Ms FERRIER: We are looking for that balance. Mr McGrath, you have yours.

Mr McGRATH: I also think you have to make a clear distinction between a night-time economy, which can be vibrant, can be alive, can be very enjoyable, and the 24-hour alcohol economy, which Kings Cross barely survived. That is something that I do not think—not just the residents of Kings Cross, but I do not think the residents of Sydney want to see again, although that will be ultimately the decision of the State Government. I do not think we could survive that again. In terms of the vacant shops, yes, there are vacant shops. There are "to lease" signs. But as we pointed out in our submission, it is not limited to Kings Cross or the lockout area. You find them in every business area: Randwick, Bondi Junction. It is the economy at play, in a lot of ways. And do not forget that liquor licenses attach themselves to an address in perpetuity, almost. So some of those vacant signs on shops may just be waiting, maybe sort of lurking, dormant, waiting for the release of the 24-hour economy again to suddenly spring up and turn into a 24-hour venue. That is something that in a tiny residential community like Kings Cross and Potts Point, I do not think we could survive that again.

Ms FERRIER: As we said at the Callinan report, when we had that terrible era people would not come up to the Cross. I do not blame them. We stopped walking up from the city and the Opera House to come home. It was violent. In the week that we did the survey a man at a restaurant said to me, "The bridge and tunnel crowd has come back". I had to ask what the "bridge and tunnel crowd" was. Of course, he meant that people from the North Shore and western suburbs—well, the inner west—were coming in to eat, go to bars and whatever. That has expanded even more. Potts Point is thriving with the new restaurants. I think that Darlinghurst will pick up behind us. It just opens up everything. It is still a night-time entertainment place; it is just not 24-hour drinking. I would love to see it go to other areas.

The CHAIR: Thank you. We have a number of questions so I will keep us moving along. I am interested in your comments about Barangaroo and George Street—I think you said something like that they already have the infrastructure around them. Could you just expand on that a bit more?

Ms FERRIER: They have not got the density of residents. They are not all packed into two streets. When you did your walk, it was basically two streets—the tiny little side streets had a bit. But when—

The CHAIR: You are referring to the Committee's site visit?

Ms FERRIER: Pardon?

The CHAIR: You mean the Committee's site visit? Is that what you are talking about?

Ms FERRIER: No, no, when you came down for your walk that Wednesday night—

The CHAIR: The Committee site visit, yes.

Ms FERRIER: Sorry, yes. It was just two streets, whereas George Street has the potential with the light rail—you can bring them in and you can get them out. Down there you are not affecting residents and you can encourage places to open up there and they will come. It took time, as it did back in Kings Cross when it was declared a "desert". I am sure it can happen again and it can happen in other areas.

The CHAIR: But the basis for you saying that is less residential and more infrastructure—is that right?

Ms FERRIER: Yes.

The CHAIR: Okay, thank you. My second question is in relation to scanners. We had some feedback from police that they are very effective because you have a known quantity in a venue, with people scanned on the way in. However, we have also had information that they are confronting, they are expensive and they are difficult for licensees to operate. Can you comment on those issues? In relation to clubs, it does not seem to be as confrontational when you go in and produce some identification, whereas with ID scanners it seems to be a bit more of an issue. Do any of you care to comment on scanners and whether you think they are appropriate or not?

Mr GOOLEY: From a policing point of view the scanners are very effective. Not only do they capture the identity of the person but it captures a photo at the time, so from an investigative point of view they are very

important, but also from a deterrence point of view. We know that clubs—where you must sign in, show photo ID and record it—have a lower rate of violence than other licensed venues and that is one of the reasons for it. When used properly they are a very good tool for the venue in terms of knowing patron movements and that sort of thing. If there is a problem with the technology, obviously there was a tender process and that issue may need to be revisited. However, we believe the scanners, and the fact that they are linked, is important in reducing crime and investigating crime. We would like to see them linked across the different precincts. With modern technology and digital licences and the like there is surely an opportunity to revisit the scanner technology being used.

The CHAIR: Surely there is an opportunity there for somebody to invent something clever and cost efficient. I open up questions to Committee members.

The Hon. JOHN GRAHAM: Thank you for your submissions. I agree with two of the views you have put, which have really been common ground in many of the submissions before the inquiry: one, that it should not be all about alcohol after dark; and two, that we cannot have Kings Cross go back to where it was. I think that really came home to the Committee when we talked to the St Vincent's team that presented this morning but also to some of Mr Gooley's former colleagues at Kings Cross Police Station about what was going on. However, I might return to where we were before lunch and ask why you think it is that Melbourne seems to be able to balance some of these issues a little bit better than Sydney at the moment? Obviously there is a complex range of things going on here. However, from working with your colleagues can you give us any clues as to why we are stuck struggling with the serious issues?

Mr GOOLEY: What you will find is that there is actually an increase in alcohol-related violence occurring in Victoria, particularly within the CBD of Melbourne. They do not have the density of licensed premises that we saw in precincts such as Kings Cross or The Rocks. They have smaller venues and very few large hotels in the CBD, whereas we have many across the entertainment precincts covered by the licensing legislation. But I think you will find that there is an increase in violence there. I would not be surprised if they were looking again to us and what we have done. I know from a factual point of view that most pubs do not have poker machines down there; those are restricted to the—

Mr HOLMES: Casinos.

Mr GOOLEY: The casinos and to what are effectively the TABs—what do they call them down there? They are specific gambling venues. So you end up with smaller venues and a more diverse mix of licence types—indoor, outdoor, even in the middle of winter.

The Hon. JOHN GRAHAM: Yes. You will be unsurprised to hear me raise this, but one of the key distinctions is the music and entertainment offering down in Melbourne. I accept the evidence you have put in your collective submissions about venues. However, as I have said, we are definitely losing entertainment venues in Sydney. I accept where you are heading regarding alcohol venues; however, we do seem to be losing music and entertainment venues.

Mr HOLMES: I think we would all support live music, but there seems to be this absolute connection in Sydney that you cannot have live music unless it is supported by the sale of alcohol. The Committee has been supplied with submission after submission about the impact of alcohol on people's health and behaviour. Surely it is the capacity of the New South Wales Government and your Committee to say, "Let's do something different around music and the offerings of music that does not absolutely rely on whether an organisation is offering alcohol."

We all know alcohol is one of the most destructive drugs in Australia. It kills more people than any other drug. If you replace alcohol with methamphetamine in that glass, would you still be saying we need a vibrant night-time economy based upon ecstasy or methamphetamine? That is the difference: Alcohol has been licensed and it produces an economic outcome, but it is a dangerous drug. It kills many people. It causes enormous costs to society. Let's have a vibrancy that is not based upon a highly addictive drug that does so much damage. I have a personal interest in music.

The Hon. JOHN GRAHAM: I am happy to hear that. There was a big discussion about Kings Cross just now. Do you see a distinction between how these three areas that we have talked about have operated? Kings Cross, the CBD and Oxford Street are quite different areas of the city, but for these sorts of issues do you see them operating differently to each other?

Mr GOOLEY: I started at Kings Cross. I have worked there on and off on operations for years. I started there in a full-time capacity in 2012. From that time on I never saw anyone strum a guitar in a licensed premises in Kings Cross. To say that live music, alcohol and entertainment interacted in some way in Kings Cross is I think—

The Hon. JOHN GRAHAM: No, well I am asking about—

Mr GOOLEY: So what I am saying is—

The Hon. JOHN GRAHAM: —I am asking about the broader policy now.

Mr GOOLEY: Oxford Street had a number of venues that entertained live music.

The Hon. JOHN GRAHAM: Yes.

Mr GOOLEY: Certainly there are some others throughout the city that—

The Hon. JOHN GRAHAM: Sorry, Mr Gooley, I should be clear: I am not now asking about music; I am asking about these broad issues of violence and the night-time. Do you see a distinction between these three areas?

Mr GOOLEY: I do. I think it is the nature of the venues that changes. Kings Cross was full of "booze barns", electronic music and no live entertainment. Those that provide some live entertainment, provide some diversity. You only need to drive down Oxford Street at 3.00 a.m. in the morning to see there is almost as much violence as Darlinghurst Road before the lockouts.

The CHAIR: You mentioned electronic entertainment, I think you called it? Is music a live person with some skill set and an instrument, or is it an iPod that you plug in for live music venues?

Mr GOOLEY: For live music, it has to be someone constructing it as opposed to just ripping a CD. But I am very impressed with the work some of the DJs do. It is equally as artistic as someone strumming a guitar. But there was not that in Kings Cross and to say there was is a misrepresentation. Certainly, there were DJs mixing in various venues on Oxford Street but that was a more diverse mix.

The CHAIR: As you say, somebody strumming a guitar.

Mr GOOLEY: Playing any sort of musical instrument.

Mr KEVIN CONOLLY: Mr Gooley, in your opening statement, you refer to a young police constable who was punched in the face on New Year's Eve, and brushed it off as the norm. I am interested in the experience of emergency workers and frontline workers. How have the laws impacted you? Is it safer to be a police officer, an ambo or a casualty nurse now in these areas than it was before?

Mr HOLMES: Yes.

Mr HAYES: Prior to these laws, it was not uncommon for paramedics responding in Kings Cross to be assaulted on a reasonably routine basis, particularly verbal assaults and those sorts of things. It was just common practice to the point where they would not be reported. Physical assaults were certainly not uncommon. The Government is currently proposing trials of self-activated body cameras. The level of assaults in Kings Cross has decreased dramatically. This goes some way in reassuring an ambulance paramedic wanting to look after people, and then get them to a hospital where nurses and doctors take charge of that ongoing situation. It is certainly noticeable that the levels of assaults have significantly decreased to this point.

Dr SARA: Dr Preisz from St Vincent's noted in his opening the experience of our members—we have got large numbers of members of our union there. Certainly yes, they report they are assaulted much less often. I have spoken to Dr Paul Preisz and Nadine Ezard at length about these issues. I had the opportunity to read the St Vincent's submission, and they are quoted extensively in those submissions. From my own experience in emergency departments, to have a family come in and you have to tell that family that their child is brain dead, your child is going to die, you need to think about organ donation. Faces pulverised beyond repair, the person will suffer the physical and psychological pain of that for the rest of their life. Those experiences reported in the St Vincent's submission are real. That is what we as doctors think about more than ourselves. We do not get assaulted nearly as much as police officers.

Mr KEVIN CONOLLY: I know you do but I particularly wanted the emergency service workers to be in this discussion because they are real people who need consideration.

Dr SARA: We are assaulted much less often. The tone of their views via us and via St Vincent's is that higher moral ground.

Mr KEVIN CONOLLY: Does that same effect carry outside the Kings Cross precinct? Have we seen any change in the rest of the region for emergency service workers?

Mr HAYES: The work of emergency service workers—I think, it is part of society at the moment—is dangerous. They work in a fluid environment. It depends on the area they are in, but the common denominator

will always be for their safety, is that there will be alcohol involved. There will be illicit drugs involved that can change relatively sound, normal people into particularly violent people. That is part of society, unfortunately, these days. But it certainly was an intense part of Kings Cross prior to these laws.

Mr HOLMES: From a nurse's point of view—we are the third group to get attacked alongside the doctors, after the police and the ambulance workers—our members at St Vincent's report that the working environment has improved as a result of these laws. Our members in the Hunter, where that same proposition has occurred, report life has improved as a result of the change. We have a massive problem with violence in our health system—and if you return more alcohol this will get worse. This is why the NSW Nurses and Midwives' Association are saying "Let us make this equal across the State" because our members, in every hospital right across New South Wales that operates an emergency department, face drunks who are violent and aggressive, who assault our members either verbally or physically, every night of the week. It is worse on weekends and times when people are out and drinking for longer.

It is an unfortunate reality that this is what our members face. They often face it in small facilities, where there are only two of them on duty. What do they do when someone comes in who is violent and aggressive? There is no security guard. There are no police in town. They have just got to cop it. From that perspective, we are certainly advocating that this should be equal across the State. Let us have all venues operating under the same laws. Let us be fair about it to them so there is no competition issue. Let us say that we, as a society, want a safe society. We can have a vibrant nightlife but surely we do not need to have it fuelled by the sale of alcohol.

Ms CATE FAEHRMANN: Mr Gooley, you were saying earlier that alcohol-related violence is increasing in the Melbourne CBD?

Mr GOOLEY: I am afraid so, yes.

Ms CATE FAEHRMANN: Could you provide the Committee with evidence of that?

Mr GOOLEY: Yes. I can take it on notice for sure.

Ms CATE FAEHRMANN: You also said that you can drive down Oxford Street now. Do you mean current day?

Mr GOOLEY: No, I meant previous to the lockouts.

Ms CATE FAEHRMANN: Okay, next question. Were you suggesting there may be a correlation between electronic music, DJs and violence?

Mr GOOLEY: No. I was trying to draw the distinction that in Kings Cross there was recorded music being played in venues. When you went to other venues in places like Surry Hills, there was more diversity—a person playing a guitar or a person composing music as a DJ. I have heard that live music venues in Kings Cross have closed. I do not ever remember seeing live music in Kings Cross. There was a record played or digital music from an iPod, or however the pub produced its music. But there was very little live music in those venues.

Ms CATE FAEHRMANN: So just to be clear, you were not inferring some connection between electronic music, DJs and violence—considering we have had electronic music and DJs for 30 years?

Mr GOOLEY: What I am trying to say is if you have an entire precinct where the entertainment is getting together and drinking, as opposed to observing someone producing a product or producing some form of art, then you do not have any diversity.

Ms CATE FAEHRMANN: So it is the alcohol.

Mr GOOLEY: Yes. I would love to see more music produced—however it be—live in front of people, rather than just getting together and drinking.

Ms CATE FAEHRMANN: Thank you for the clarification.

The CHAIR: Had you finished what you were saying?

Mr GOOLEY: I would like to briefly comment on the assaults. There are over 50 police officers assaulted every week in New South Wales. Alcohol is the leading cause of that by a factor of three to one.

The Hon. BEN FRANKLIN: Did you say over 50?

Mr GOOLEY: Over police officers are assaulted each week in New South Wales. Alcohol is the biggest causal factor, and daylight is second. When you reduce the intensity of alcohol consumption—Kings Cross had all those licensed venues in one square kilometre—the reduction of violence clearly flows on to police.

Mr GUY ZANGARI: Whilst on that, and talking about alcohol harm and reduction policies, what can be done to develop policies and reduce that risk to the community, and also to your members, ensuring it is safe for workers but it is also safe for the community to go out?

Mr GOOLEY: The first thing I say about Kings Cross now is, come back. If people were scared of the Cross before, it is time to come back. Plenty are coming back and it is a different place. In terms of improving the policy, reducing the levels of intoxication clearly reduce people's poor behaviour, particularly when they interact with emergency services and it reduces the likelihood of interacting with emergency services. If we can reduce levels of intoxication either through density of nightlife venues, licensed venues or late-night trading venues that will reduce the level of intoxication, particularly on the street where you are more likely to interact with emergency services. Newcastle has shown that and it is thriving. Kings Cross is coming back and starting to thrive. If we can have these earlier close times, no shots after midnight—measures that reduce the level of intoxication—then we will see a safer community for everyone, including emergency services.

Mr GUY ZANGARI: Can I throw into that the diversity of offerings as well to reduce that risk.

Mr GOOLEY: Absolutely. That is probably one of the things that has saved Melbourne, their diversity of offerings. As we said, it is starting to turn. I think the other witnesses will probably have had a similar experience in those less dense precincts.

Mr HAYES: Can I just add though, getting back to your first point, if any of us around this table held a function in our homes and fuelled somebody up pretty heavily and let them drive home or let them get home in any way, shape or form, we would have an absolute culpability in terms of what we allowed to happen—a duty of care was not there. If we are allowing venues to be able to let people drink as much as they can, throw them out on the street, it then becomes a matter for the community and I think there should be some kind of criminal activity to that. If they are going to profit out of people's demise—that could be the perpetrator, who will probably not even remember the issue the next day, so they are in some way a victim, and then the victim themselves. These are the sort of things that need to be occurring across the board—that if you are going to fuel people up then you have a criminal culpability to that.

Mr GEOFF PROVEST: I have two little parts to my question. Just on your statement, Mr Hayes, as an ex-licensee, it is still an offence to keep an intoxicated person on your premises. There is a feeling in the industry that the law should change—so there is a duty of care to keep that person there until such time as I believe. Because currently, if they are intoxicated, we throw them out. Secondly, there appears to be a displacement of people seeking entertainment outside the precinct. I am talking about Newtown and those other areas. We had St Vincent's staff here this morning, who told us that they have not seen any rise in antisocial behaviour outside the current precincts. I am curious to know whether any of your members had reported any unusual spikes?

Dr SARA: In Prince Alfred the level of violence is roughly the same as it was and the NSW Bureau of Crime Statistics and Research [BOSCAR] statistics reflect that—that there has not been a move of the violence from Kings Cross or the city to elsewhere.

Mr GEOFF PROVEST: Mr Gooley, your police out that way?

Mr GOOLEY: We have had reported increased patronage outside the lockout zone but it has not had the resulting increase that you would expect in violence—in other words, just a straight transposition or displacement.

Mr GEOFF PROVEST: Do you think the law should be changed to keep an intoxicated person in like a "sober-up room" or a quiet room?

Mr GOOLEY: If someone is on a premises and they have been allowed to become intoxicated then I think that surely the industry can find a way to engage with experts within the health system to deal with that. But again, it is a drain on the health system. So, should it be that you allow intoxication to happen on the premises?

Mr GEOFF PROVEST: The only point that I am making is that the current review into Big Day Outs and rock concerts—and a lot of those promoters now have to put on medical practitioners for similar situations.

Mr GOOLEY: As a policing function, we do not want intoxicated people drinking but they are also vulnerable and need to be looked after. If that is a way to protect them—

Mr GEOFF PROVEST: The current law states you have to kick them out on the street and that is it.

Mr GOOLEY: Yes, they become everyone else's problem, I can see the logic to it.

The CHAIR: There is more to discuss there and we can send questions to you in written form. Thank you for appearing before the Committee today. The Committee may wish to send you additional written questions,

replies to which would form part of your evidence and be made public. Would you be happy to see if further written questions from the Committee?

Mr GOOLEY: Yes.

The CHAIR: I think one question was taken on notice. Mr Gooley, if you could return your answer within seven days to the Committee staff we would be appreciative. Thank you for coming today.

(The witnesses withdrew.)

CARRINGTON BRIGHAM, Executive Chair, The Potts Point Partnership Incorporated, sworn and examined

PAUL DEVINE, Member, Executive Committee, Kings Cross Licensing Accord Association, sworn and examined

DOUG GRAND, Coordinator, Kings Cross Licensing Accord Association, affirmed and examined

The CHAIR: I am mindful that we would like to get to members' questions but does anyone have a short opening statement they would like to give to the Committee first?

Mr BRIGHAM: We do. On behalf of all members, I thank them for allowing me to be here today to present to you our position with the submission and I thank you all for listening. My quick summarisation is that the Potts Point Partnership believe that the New South Wales Government must adopt a new and positive vision for Kings Cross and Potts Point precincts, which will see them revitalised as a world-class destination, offering food, culture, entertainment and fun. Our vision of Kings Cross and Potts Point is of a people-friendly place, offering safe and accessible entertainment choices for both locals and visitors; vibrant with life both day and night, without the unsavoury character that defined it during the late twentieth century and early 2000s. To achieve that vision the New South Wales Government must show leadership and amend the special licensing requirements, which act as an economic tariff on the area, dampening activity in Kings Cross to the benefit of the surrounding suburbs.

To have some recommendations and solutions in place we have suggested that the Government: immediately removes the requirement for ID scanners in the Kings Cross precinct; extend the lockout laws to a deadline of 3.00 a.m., meeting the Government halfway and offering a pragmatic solution for the health industry and our members; remove the ban on purchasing spirits in shops after midnight, for pubs and clubs with over 100 patrons; establishes a good neighbourhood policy to reduce vexatious noise complaints in cooperation with the City of Sydney; establishes a tourism campaign to promote Potts Point and Kings Cross as Sydney's best-known night-time destination to experience so that we can bring foot traffic back to the neighbourhood precinct once again; review the medically supervised injection centre location again.

Mr GRAND: We thank you again for giving us the opportunity to appear on behalf of the accord and their members. On behalf of the accord members we would like to acknowledge and empathise why the lockouts were imposed. From our point of view from the venues, the one-size-fits-all approach has, we think, simply decimated the night time economy. That came in regardless of a venue's performance or history of compliance. They are all targeted with special conditions which commenced in December of 2012. For Kings Cross it is now almost seven years since the Kings Cross Plan of Management was imposed. The plan of management was introduced via two tranches in December 2012, with a further one in December 2013. Kings Cross at that time was actually closing at 4 a.m. so it allowed for a disbursement of the patrons which were previously from some venues, a small amount of venues that were trading 24 hours.

That, on top of the 37 per cent decrease in the Bureau of Crime Statistics and Research [BOCSAR] statistics prior to 2012, produced significant results. Those results were not allowed to move further forward with the Kings Cross Plan of Management when the actual lockouts were imposed in February 2014. On top of that in June of 2014 with the ID scanners. For us we think the actual balance is way out of kilter. We have seen a huge amount of venues, restaurants and small businesses close. That is, obviously we are glad we got the opportunity today to discuss.

Mr BRIGHAM: On statistics, we now have 20 empty shops in Darlinghurst Road. We have five empty shops in Macleay Street, five in Victoria Street and three in Bayswater Road. It is clear where the problem is for us.

The CHAIR: I have three questions. Thank you for your recommendations and prior written submissions, they are very helpful. On the discussion of the Good Neighbour policy, we heard about that experience voluntarily in the Inner West Council. Could that not be done now? Could you get on and do that voluntarily? Is that something that requires legislation?

Mr BRIGHAM: With the Potts Point Hotel, they are already doing that now. It works quite well. They have an agreement in place with the local neighbourhood, not the residents' association, the actual local people who live in that area who they discuss and manage those noise complaints and that handling process with them.

The CHAIR: How is it going?

Mr BRIGHAM: It is going well for them, very well for them. Unfortunately, it is not for the Kings Cross Hotel. Not just pubs and venues in our area, all around the State, basically. I think that it would be helpful

if we had a framework in place that could model the Inner West Council and we could take that forward. I really believe that we can only solve this problem with a nice, clear framework of what is acceptable noise, what is not acceptable noise and how you can best approach it.

The CHAIR: Not just noise, surely if there were to be any form of relaxational change there needs to be balance with checks, safeguards and community safety being at the forefront of any of that.

Mr BRIGHAM: Yes.

The CHAIR: When you talk about that framework, other than just noise complaints, if we look at a higher level, who else do you think should be involved in that and how do you see that working?

Mr BRIGHAM: The city rangers are already involved with that process, and it can be quite arduous. Also we find that rangers go out at different times of the day to visit these businesses that are mostly open at night time and not during the day. We find that quite odd that they would do that. We need to be able to find where the rangers can have a specific set of frameworks. At the moment they do not really. A noise complaint gets submitted. They go out and investigate. They investigate the noise level inside the premise of that person's home and then they go back to the venue and see what it is like. Then they report back on it through council. Usually there is a decision that is made as a result of that.

The CHAIR: They are council rangers?

Mr BRIGHAM: Yes, correct. And it can be as little as one complaint that can have a deleterious effect on a business.

The CHAIR: I did not want to dwell on noise complaints, but while we are, the Inner West Council mentioned that they had an arrangement where a resident or person making a noise complaint is obliged to sit down with the licensee first, either over a coffee or a beer, and try to sort out what the issue is before they escalate it. Is that something you would advocate as well and you could see working?

Mr BRIGHAM: It is a very Australian thing to do. I think it is a great thing, settle it over a beer, and if you do not drink beer, have a lemon, lime and bitters and then let's move on from that. If the situation occurs again, then maybe you take that next level to a city ranger and deal with it from that perspective. I feel like the City of Sydney does not know what is the right rubric in place for them. They are going based on their existing complaints charter and I think that needs to be reformed. But I also think that it is an opportunity for the New South Wales Government to have a blanket approach for a framework across the State. It is not just our area that is experiencing this.

Mr GRAND: Sitting down for a beer and talking about it is lovely, but some of the complaints are quite vexatious and if they are vexatious complaints it can lead to a huge amount of misery for the operator, no matter what he has invested into that business. We have got one there along Bayswater Road that has been going on for 18 months. That is the whole of the street, from one complaint.

The CHAIR: There are always vexatious litigants. I want to briefly touch on scanners before I open questions up to other members. I heard what you said about scanners. Equally, we went to see the Kings Cross police and they were huge advocates for scanners. I am sure you know their reasons, but briefly, they have a set piece because they know who is in a venue, they scan them in and know who is there.

Mr BRIGHAM: Correct.

The CHAIR: I understand the issues for licensees of expense and the intimidatory factor with it. Do you think there might be a midway point, perhaps if there were cheaper technology available, or it was limited to particular venues where there is a problem? Do you think that might be a way forward?

Mr BRIGHAM: It does not address the current problems. Better technology is an option, and I will let Doug Grand speak to that in a moment. Let us just present the problem as it is. We have mixed alcohol and food businesses at the moment that have to have an ID scanner every night at 9 p.m. It has a huge and serious impact on their business. When patrons come to visit their business in groups especially, not everyone carries their ID and the world of privacy and security that we all want and cherish, people do not always want to provide their ID. To have a nice night with a meal and a drink, it becomes quite hard for a business to do, to operate to have to push those people away and say: Sorry, you can't come into our business because of our liquor licensing.

The CHAIR: I understand that. We went to some venues on our site visit and saw exactly that, a small bar, a small restaurant, surely that is not something that is helpful. But in balancing that with considerations of perhaps larger venues, there are a number of people operating later into the night. Potentially could that be something that might work for those, but if it is taken away from the smaller venues that you can see do not need it?

Mr BRIGHAM: The evidence by Deakin University when they did this test in Geelong to see if it was effective or not, their conclusion was that it was not effective, they did not serve the best interests of the businesses, as well as preventing any further harm on patrons or people entering those venues. It has already in one scenario in a different city, albeit in Australia, proven not to be successful or to prevent any serious harm on a consistent basis.

The CHAIR: Are you able to provide some information to the Committee on notice about that?

Mr BRIGHAM: Sure. It was already in our submission.

The CHAIR: It was? I have not seen that, I am sorry.

Mr BRIGHAM: And it was linked in our submission to Deakin University's website. With the ID scanners as well, we have to remember that it is already in place every day, seven days a week. The best way to find a nice pragmatic solution would be to review the times of the week, as well as how many days are operating and which venues need to have them.

Mr ALEX GREENWICH: Thank you for your submissions and the time taken to put them together. I wanted to go back to the regulatory and licensing framework that was operating in the Kings Cross area that led to the Government's reaction back at that time in imposing the lockouts. It is not your view that that was a tenable situation that led to that point. What were you recommending to the Government as an alternative response at that time? And what would you recommend now to ensure that we do not go back to seeing a similar flashpoint arise again?

Mr GRAND: With a lot of the submissions, transport was a huge factor. Kings Cross was a very successful, if you like, attractor for the night time economy in a small space. A lot of the issues for venues were refusal of entry for pre-intoxicated people, and they could not get out of the area. You have the people inside your venues, you have people pre-fuelled who were going to venue doors with plenty of security on and CCTV, and they could not get in. But they also could not get out. It was not a problem that arose overnight, it was for years. Everybody knew the transport problems.

From the accord perspective, licensed venues and police, we all knew what the issue was, and that is part of my submission too, with an ex police inspector from Kings Cross making those comments as well. To not go back to that situation, a lot of the large venues have already closed. They have got no opportunity to reopen because they are different businesses. What we would say to you is we know the freeze is still in place. What we would suggest for Kings Cross is that if it is a large-scale venue they would sit in front of a panel of key stakeholders—police, council, Liquor and Gaming, the liquor accord and the chamber with the local community to prove their business case before they were allowed to open.

Mr ALEX GREENWICH: There was an assertion made by a previous witness who suggested that, should the lockout be lifted in any way, all these suddenly dormant venues would go back to operating on a 24/7 basis. What is your view on that? Are you aware of how many licences have been surrendered?

Mr GRAND: No. Liquor and Gaming would be able to tell you how many had been surrendered or how many longer exist. There would be some dormant licences, of course. We have been the most highly audited area in Australia, probably, for the last five years. On some nights some of these venues might get four audits. The police targeted intervention has been going on for a period of time. There is no opportunity for a venue to play up in Kings Cross.

Mr DEVINE: If I might add to that, it is addressing the framework whereby companies coming back into the area are vetted prior to setting up. That should give a very clear indication of the willingness of the business owners to be involved in the vibrant economy for the right reasons.

Mr BRIGHAM: Plus the need is not there any more, as well. People do not think of our area as a nightclub area. It is going to be a long time, no matter what you do to change these laws—if Parliament is successful in changing these laws—before anyone in the millennial or Z generations comes back to have a nightclub experience. Also the cessation of alcohol sales laws were introduced just before the lockout laws. That was 4 a.m.; it is now 3 a.m.. That has already prevented the kind of repeat or rubber-band experience eventuating. We have new residential buildings. The Omnia is in front of what used to be a massive nightclub called Goldfish. Behind that we have another residential building. So it is not a nightclub any more; it is a gym. In fact we have seven. So the whole area has transformed.

Mr ALEX GREENWICH: It is a very fit area!

Mr BRIGHAM: I often see Alex on his way to the gym and he sees me on the way to the gym.

Mr ALEX GREENWICH: We have so many gyms we can go to different ones.

The CHAIR: Can we move on; this is not the gym inquiry.

Mr GEOFF PROVEST: I am interested in a couple of issues. I seek your advice. You guys are licensees. The current law states that an intoxicated person has to be booted out onto the streets—"See you later!" What do you think of the view of having somewhere on the premises where you look after that person or have the facility to offer some form of care? I am drawing a bit of a conclusion from the music festivals, where some of the big operators have to have some form of medical supervision or things like that.

Mr BRIGHAM: I am very open to that. It would obviously come down to the businesses and their willingness to do that, too. We also have a number of City of Sydney offices that could be used for something like that, too.

Mr GEOFF PROVEST: We have been told by other people about the ability to all sit down together. The Committee has to balance up the views of the local residents, the terrible incidents that happen, public safety and other things. I am a great believer in getting all the interested parties together to work out possible solutions. Coming from the industry, I believe that if I was running a restaurant up there the scanners would drive me to move.

Mr BRIGHAM: It is a huge imposition.

Mr GEOFF PROVEST: Also, it has been proven that the displacement areas—places like Newtown—have not experienced the same level of violence. But there is a bit of doubt, even in my mind. A lot of people on your side of the fence are saying, "All the bad guys have gone. We've learnt our lesson. We have new operators." There is just that bit of doubt.

Mr BRIGHAM: Yes. I take your point and I agree with you on most of those, but our businesses need to be able to thrive during the colder and quieter months. Some of these big businesses have the ID technology scanners and locals just do not want to bother going into them. For groups and things like that it makes it much more difficult. They can go next door to a small wine bar and not have the same problem.

At the same time, on the other side, if you have a bad Samaritan wanting to access a pub—that is what the ID scanner is for; to vet them because they should not be allowed into the pub—they can go to a small wine bar next door and cause havoc there. It is not a fair playing field for businesses in our area, and residents do not like them. Residents do like the fact that our area is not what it was—I included. I lived there before and after, but at the same time, there is no way our area is going back to what it was.

Mr GEOFF PROVEST: We were told by some other witnesses that live music was never in the Cross.

Mr BRIGHAM: That is not true.

Mr GRAND: It is not true.

Mr GEOFF PROVEST: It is not true; okay. I just wanted to clarify that.

Mr BRIGHAM: We had another venue that recently opened up on the old bank facility. He tried to have live music but his experience was—verbatim—"I cannot keep operating this business when I have an ID scanner on the front of it, just for live music."

Ms CATE FAEHRMANN: We have heard from some businesses regarding the kind of onerous three-strikes policy. We have had a few examples of some of the reasons behind a strike. Can you give examples of how the three-strikes policy has affected any businesses in the Cross and whether you would recommend any changes to that?

Mr GRAND: It did originally. If we wind back to the original three-strikes policy, that was particularly brutal. In Potts Point and Kings Cross, including in Potts Point restaurants, we had the alcohol sales data. So there were eight levels of reporting for each business every hour of the night from 8 p.m. They had to fill in a spreadsheet and send it into Liquor and Gaming by the quarter. We knew that the restaurants in Potts Point would fail. There were 17 strikes issued.

Ms CATE FAEHRMANN: Just to clarify, when you say "were" what are you talking about in terms of history? Are you talking about the past?

Mr GRAND: Yes. I am talking about the past. When it first came in for Kings Cross everything was a strike. If there was litter in front of your premises that constituted a strike. The pain that that caused some of those small businesses was immense. There were 17 restaurants in Potts Point. Eventually, through the Small Business Commissioner we were able to get those removed, but it took 4½ years to get rid of the alcohol sales data. The costs for small business was \$1,000 to \$1,500 per month to get them done. Now there are no strikes in Kings Cross. So I really cannot comment much more on that.

Ms CATE FAEHRMANN: So you do not have to issue alcohol sales data at all now? Is that correct?

Mr GRAND: No. After review it was removed.

Mr BRIGHAM: But we had it for 4½ years.

The Hon. JOHN GRAHAM: I want to ask about the figures which are in the Kings Cross Licensing Accord Association submission. Because you have had to monitor things so closely they really spell out quite specifically the average number of patrons coming through the venues each month, and show that it has dropped from 134,000 to 52,000 per month. Can you give us any more background on that?

Mr GRAND: Those figures are actually from Liquor and Gaming.

The Hon. JOHN GRAHAM: Does it capture everyone? Does it give us a good feel for what is actually happening—

Mr GRAND: Yes.

The Hon. JOHN GRAHAM: —or is this a partial snapshot?

Mr GRAND: It is a partial snapshot. We think the numbers are below that. The City of Sydney measured the reduction at 80 per cent. However, from the 14 premises that are still considered high risk that is the reduction from the ID scanning data.

The Hon. JOHN GRAHAM: The argument backwards and forwards about how much footfall has dropped, these are a pretty solid clue.

Mr GRAND: They are actual numbers from the independent company supplying those figures to the Government.

The Hon. BEN FRANKLIN: I have a few issues. Mr Bringham, you mentioned a number of empty shops. You were quite specific about the numbers. What sorts of things were in those shops before they became empty?

Mr BRIGHAM: We have had a lot of redevelopment in our area. Some of them were nightclubs, some of them were pawn shops, some of them were tobacconists or restaurants.

The CHAIR: Can I clarify the spelling?

Mr BRIGHAM: P-A-W-N, of course.

The CHAIR: There may well be the others. That is absolutely fine; it is a legitimate business.

Mr BRIGHAM: With respect to that, there were brothels and sex-on-site venues as well as strip joints.

The Hon. BEN FRANKLIN: What do you see as the future for those empty shops?

Mr BRIGHAM: The Omnia building, which is a wonderful architecturally designed building that has won awards, is currently empty at the bottom—on the street. We have five empty shops with Woolworths above it. There was an application for a Hungry Jack's and the residents overturned that, I believe. I might not be right on that but I believe that is where it is at. So at the moment any of those empty shops we believe we would like to see more experience and innovative businesses move in. When I say "experience" it could be anything from something like a Holey Moley that recently moved into the area, which used to be a nightclub. Holey Moley provides not just food and alcohol but an experience where you can have putt-putt golf. Around the corner we have a Rosé Royale wine bar which provides nothing but rosé wines from across the world. We have other institutions like a nice new wine bar called Dulcie's, which is a 1930s bar. That is all about the experience of Australian and only Australian spirits and liqueurs that make cocktails and that 1930s feel. It is about having new experiential businesses.

The Hon. BEN FRANKLIN: And a diversity of businesses.

Mr BRIGHAM: Correct.

The Hon. BEN FRANKLIN: Which is something I presume the three of you would be encouraging for Kings Cross.

Mr BRIGHAM: Absolutely. In fact sometimes we have to sigh when we see another coffee shop because there are just so many.

The Hon. BEN FRANKLIN: You mentioned residents before. I do not know if you were here to hear the previous presentation but we had fairly strong views from the residents association as to why the lockout laws

should be kept and the various other associated regulations. Would any of you like to comment on whether you felt that that was a unanimous view of the residents of Kings Cross or if there were other views that you might like to air?

Mr BRIGHAM: I believe the residents association only represents about 10 to 20 people as members on their incorporation. I look after a Facebook group of 5,000 people which is called Potts Pointers. The people in those groups that I listen to say, "We do want the area to thrive and be revitalised; We don't want a nightclub booze fest until all hours of the morning again," which is why we have proposed to you in our submission a pragmatic approach to the lockout laws to amend them for three years, ceasing or closing doors at 3.00 a.m.

The Hon. BEN FRANKLIN: To that you say that you want the lockouts to go to three o'clock, but is that not when the doors shut anyway? That is last drinks anyway.

Mr BRIGHAM: Yes.

The Hon. BEN FRANKLIN: So in effect you are abolishing the lockout laws.

Mr BRIGHAM: You may look at it from that perspective. I am not going to be the person who makes the decision on the law changes. I am sure there will be different viewpoints from everyone in Parliament as to what that looks like, but, yes, I can see what you are saying.

The Hon. BEN FRANKLIN: I am not opposed to what you are saying but you did make a point of saying you were meeting them halfway and I was thinking, "Well, isn't it just abolishing them, really?"

Mr BRIGHAM: If we keep the 3.00 a.m. cessation—indeed.

The Hon. BEN FRANKLIN: I guess that is the point that you are making—that if we get rid of the lockout laws we will keep the 3.00 a.m. cessation and that is our meeting halfway.

Mr BRIGHAM: Sure. Not everyone has to drink, but yes.

The Hon. BEN FRANKLIN: Indeed.

Mr GRAND: I have one thing that I saw raised before, if I can.

The CHAIR: Can we come back to that, if you can hang on to that thought? I have a question on one of the issues raised about wanting to see some of those empty venues filled. In your view what is holding them back from something going in there and what could be done to assist?

Mr BRIGHAM: It is very complex. There is a number of reasons. One would be rent. Most of the shops that are empty are around the medically supervised injection centre, for which I believe the location needs to be reviewed.

The CHAIR: You have said that, yes.

Mr BRIGHAM: I do not think it should be closed but I do believe its location needs to be reviewed.

The CHAIR: Just on those empty venues, if you do not mind—

Mr BRIGHAM: Sure.

The CHAIR: —what the challenges are and what might assist them other than the injecting room.

Mr BRIGHAM: Foot traffic for starters. We need a tourism campaign to bring people back to the area to experience the new experience businesses that I have been talking about that are in our area. We have some great new businesses that have launched post-lockouts, thanks to some of the City of Sydney's changes and amendments to small wine bars as well as Liquor & Gaming. Those are the things we would like to showcase. We cannot easily afford a festival. The New South Wales Government and the City of Sydney used to provide stronger grants to us to be able to have a festival every year. There are now caps on those grants so it makes it much harder, because festivals are quite expensive. We want a solution to bring people back in and we can only do that, I believe, through some sort of changes to laws as well as a tourism grant to our area.

The CHAIR: You had something to add, Mr Grand.

Mr GRAND: Yes. I heard from some of the earlier interviews you were asking about clubs.

The CHAIR: Yes.

Mr GRAND: Clubs' sign-in procedures and requirements are that it is mandatory to satisfy the five kilometre rule. If you live within a five kilometre radius of a club—

The CHAIR: I understand the reasoning, thank you. My question was really directed towards the look and feel of it—the experience of going to a club and signing in does not seem to be as filled with angst and confrontation as a scanner.

Mr GRAND: But there another reason too—that clubs only pay tax on non-member income, so they have to measure. That is why they have those sign-in procedures.

The CHAIR: That is why they smile when they take your details.

Mr GRAND: Yes, that is right.

The CHAIR: Thank you so much for coming along today and for preparing your written submissions—they were very helpful. If Committee members have further questions for you, would you be prepared to accept additional written questions, the replies to which would form part of your evidence and be made public?

Mr BRIGHAM: Certainly.

Mr GRAND: Yes.

Mr DEVINE: Yes.

The CHAIR: Thank you. I do not think we had any questions on notice but if we did we ask that the answers be returned within seven days to the Committee through the staff. We thank you very much for your assistance and your information for the Committee today.

(The witnesses withdrew.)

(Short adjournment)

JUSTIN HEMMES, Chief Executive Officer, Merivale, affirmed and examined

JUSTINE BAKER, Chief Executive Officer, Solotel Hospitality Group, affirmed and examined

The CHAIR: I now welcome representatives from Merivale and Solotel. Thank you for coming along today to appear before the Joint Select Committee on Sydney's Night Time Economy to give evidence. I ask you to confirm that you have been issued with the Committee's terms of reference and information about the standing orders that relate to the examination of witnesses in Committee's.

Mr HEMMES: Yes, I have.

Ms BAKER: Yes, I have.

The CHAIR: Do you have any questions about that information?

Ms BAKER: No.

The CHAIR: Thank you for providing the Committee with a written submission—that is very helpful and you can assume that Committee members have had the opportunity to read that. Before we turn to questions from members do either of you have a short opening statement you would like to make?

Mr HEMMES: Thank you, Chair, and thank you to the Committee for inviting me to appear today. I would like to commend the Government and members from all parties for setting up this Committee with the objective of getting a positive and balanced outcome that kickstarts Sydney's night-time economy. I want to start by acknowledging the tragic circumstances that led to the lockout laws being introduced in 2014. As many of you would know, I supported the Government when it introduced the legislation. The lockouts laws provided a useful circuit-breaker to a culture of violence that had developed. However, I think there is now a strong consensus that the pendulum has swung too far in the other direction. Sydney has undergone a significant decline in its vibrancy and attraction to both locals and visitors alike. Our cultural fabric has also progressed a long way since then and we are a more sophisticated and engaged city.

Merivale is a family-owned business that employs over 3,000 people and operates 89 licensed restaurants, bars and event spaces across metropolitan Sydney, of which 46 are within the CBD. Our contribution to Sydney's social, tourist and economic fabric is enormous, with over two million visitors through ivy's door alone in any one given year. I am not an expert on legislation. However, I do know hospitality and I am in the business of creating restaurants, bars and entertainment precincts where people love to go. What I can tell you is that in order to really grow we need a night-time ecosystem of restaurants, bars, retail, arts, live music and entertainment to draw people into the CBD at night.

Sydney and New South Wales are growing exponentially with the unprecedented levels of investment in infrastructure but unfortunately the night-time Sydney is getting left behind and it is harming our reputation internationally. The Sydney of 2019 is a completely different beast to what we had in 2014. With the imminent arrival of light rail, the new metro lines and the introduction of services such as Uber and other ridesharing services there are now far more efficient and effective means to disperse people home 24 hours a day. As the Committee would have seen, whilst the city is bustling throughout the day, regrettably at 8.00 p.m. it becomes a ghost town.

I want people to stay in the city after work and I want to provide them with a safe and diverse, vibrant and fun experience. This is not only good for the residents but will create a much more inviting culture for international visitors. It has been predicted that we could also unlock an additional \$16 billion injection into the economy and generate thousands of jobs for the community such as uni students who need late-night shifts to pay their rents and to save for houses. There is nothing more important to me than the safety and happiness of my patrons. As members of this Committee witnessed, Merivale are industry best practice when it comes to management of premises and security. With more than 200 Australians employed in security alone I have invested in a safe and enjoyable experience for our patrons.

With respect, Sydney's lockout laws must now go. They have served their purpose and Sydney has been recast. To have an integrated solution my submission particularly focuses on the need to also address the Government's violent venues scheme and the three strikes regime. These two schemes are now outdated and any conversation about the revitalising of Sydney's night-time economy must see these schemes drastically amended. I love this city. I was born and raised here and this is my home. My father emigrated here after being held in a concentration camp after World War II. This is about Sydney and my desire and passion for it to be the best city it can possibly be. My father always said that this country is a land of opportunity. However, the current night-time economy is seriously limiting those opportunities. We need to unlock Sydney's full potential and establish and promote a 24-hour vibrant and safe city.

Ms BAKER: I firstly also want to thank the Committee. The work you are doing here sets us up for the future and I appreciate the time and dedication you are putting into it. Solotel again is a family-owned hospitality business. The Solomon family have owned venues in Sydney for over 100 years and have been at the forefront of trends and culture during that time. We employ over 1,500 people of whom 60 per cent are under 28 years of age. Within the lockout zone we operate 10 venues and another 14 in adjacent dense areas of Newtown, Double Bay, Petersham and Bondi, as well as other areas more distant from the CBD such as Parramatta and Kingsford.

I too love hospitality and have worked with it for over 20 years. Sydney used to be a progressive, exciting place, one of spontaneity, culture, music, bravery and vibrancy. Sydney's nightlife was an integral part of this and the global brand of Sydney. That changed overnight with the prohibition-style regulation and it has continued to decline ever since. Sydney has become conservative, boring, less diverse and middle-aged. It is not a city our 20-year-olds are proud of and it is not a city for them. Our brand has been damaged both locally and globally. For us the lockouts were an immediate sledgehammer to venues in the CBD and Kings Cross but their impact was felt across the group.

To give you an idea of these unintended consequences to small business in adjacent areas, we have two pubs that are over 100 years old in Darlinghurst that are down 25 per cent in trade—and I think we are the lucky ones in Darlinghurst. It is an area that used to thrive both day and night with a diverse mix of businesses that we are all talking about and desire in Sydney. But in the two-block vicinity of Darlinghurst Road and Victoria Street 21 businesses have closed since the lockouts—bars, cafes, restaurants, retail and office spaces. These were all small businesses. The existing restaurants and cafes that we speak to area hanging on by a thread. This is two blocks and does not include Oxford Street. This is a micro-example and if you extrapolate that across the city you are going to see the impact to the economy, employment, livelihoods, culture and the general sentiment.

Our regulatory environment is onerous, complex, confusing and expensive to navigate. This is not an environment any industry can thrive in. We have made active decisions to not invest in the CBD. We believe the risk is too high because of the regulatory environment. In the past two years we have spent half a million dollars on legal and planning fees in the City of Sydney alone. For us it is an impost; for small players it is an absolute barrier. But ultimately it harms us all. We have talked a lot about scanners and I presume I am going to get questions so I will not touch on that as much now. But it is a relic of the past and we need parity—we need to be treated in Kings Cross like the rest of the CBD.

We spent a lot of time talking about entertainment programming in a previous inquiry that the Hon. John Graham was on. We heard a lot about the impact of live music on not only our culture but on employment and on the young people in our city. As an example, Kings Cross used to program 34 DJs a week. We now program five. We used to support 12 bands. We now program zero. King Cross Hotel supported FBi Social for three years or three and a half years. In that time they programmed over a thousand local emerging artists. That does not exist anymore. That stopped straight after lockouts because people refused to come.

It is easy to brand our venues as high risk and alcohol focused and the negativity, but it is far more nuanced. We sell food, drinks, we program live music, performance. People dance in our venues. They have fun and connect. There is nothing wrong with this and there is nothing illegal with this. It is actually something we want more of. We truly believe these regulations are ageist. We think it is an older generation telling young people how they should behave. The opposite of this regulatory regime, though, is not chaos and anarchy. It is very easy to look back on the past and believe it was chaotic, but it was not. It was a small microcosm. The world of today is not the world of yesterday.

We believe there is a real perception problem with our culture that late night is unsafe and that everyone would be better off in bed. Other cities can prove that a 24-hour city can be safe and vibrant, exciting, experimental, diverse and people can choose when they want to go to bed. We believe that it is not our Government's role to tell the community what time it is safe to be home and tucked up into bed at night. All prohibition does, which we know from history, is push activity underground or to unregulated environments. We need changes to this environment in order for us to have confidence to invest, to think big and grow.

The removal of lockouts, liquor freeze, micro-regulations is an essential step but it is actually not enough. We need a long-term brave strategy. We need leadership. We need supporting policies. Industry needs to collaborate with all stakeholders and Government. We believe the vision should be set from the Premier right down into the Ministers. As you have heard today, if this is an issue of interdependencies, it is planning, it is regulation, it is arts, it is culture, it is music, it is licensing, it is local government, it is employment, it is industry and it is Sydney's brand and narrative. We understand the complexity of the issue and would encourage a committee, much like Melbourne, where all stakeholders can have a look for and view a holistic solution—come up with the solve together. We believe this is an opportunity to shape Sydney's future. It is not just a conversation about lockouts. Thank you.

The CHAIR: Mr Hemmes, thank you for acknowledging the tragic circumstances that brought us here. It is much appreciated. Other witnesses have done the same. I appreciate your sensitivity in that respect. Thank you for your comprehensive submission, which is very helpful. The Committee did some site visits, one of which was to your venue, which also was very helpful. We went to Oxford Street, Kings Cross and also to Newcastle and compared and contrasted. It was useful to go and see those and, in particular, yours is a large venue. You are an industry leader, if you like, in your area.

You mentioned you had two million visitors through your venues, which has transformed that area, if you like. I think you are recognised for that. You speak for a large organisation. However, one of the criticisms that might be perhaps levelled at you is that if we are to repeal—it is not just lockout laws; there is a suite of measures—and if we turn this back, you and licensees stand to profit from this and that it is a money game. Other venues do the same. Safety must be balanced with whatever we do. I ask you to comment on that aspect because it has been raised by some groups.

Mr HEMMES: With all due respect, our business has already adapted to current legislation and it is a successful and prosperous business—and will continue to be. This is not about our business because we will continue to go on and do good things. This is a much bigger discussion. It is about creating a 24-hour vibrant global city. I do not think the conversation is about lockout laws because it is a much bigger picture than that. The legislation that came into place has had such dramatic effects on the city that people do not go out to the city after eight o'clock, nine o'clock, 10 o'clock at night. They finish dinner and they go home because there is nothing there.

The CHAIR: You spoke about the night-time ecosystem and I liked that word. You talked about arts and entertainment. It is not just a regulation issue, although I have a question about that. Could you elaborate on the ecosystem concept—what you see could be and who could be involved?

Mr HEMMES: In all the successful cities in the world that have a great and vibrant economy, it is not made up of alcohol. It is made up of retail, which is such an important element to this. And it is retail in conjunction with food and beverage and live music and arts and culture and dancing and all these wonderful things and creating experiences in the city that will bring families in as well. I just went to a fantastic city, a small city in the middle of Italy, and they had this amazing international jazz festival. The city was alive and the jazz festival was in the streets. There were families from all round the world coming in there to listen to this amazing music and it went until midnight. After that, everyone went into all the venues. People were dancing and drinking and eating and having a great time and the shops were open. It was incredible to see and we had that opportunity.

Melbourne has done it. It is a fantastic example. They faced the same challenges that we face and they faced them back in 2008. Step forward 10 years, they have one of the most successful late night economies now. We have just been voted by *Time Out* magazine as the tenth worst city in the world to visit—the tenth worst city in the world to visit. That was in March this year. Ten or 12 years ago, we were in the top 10 destinations in the world and now we are the tenth worst. Melbourne, unashamedly, is number two. They have shown how government working closely—State Government, local government, the police, all the regulatory bodies, getting transport right, the industry people, us taking responsibility for our venues, getting retail onboard, getting the arts involved, creating hubs of excitement in the city—how effective it can be. It can work and maintain safety. It is paramount to it. I can work. It is happening all round the world.

The CHAIR: The Committee has been very clear that we are the only global city in Australia and Melbourne does not compete, but I am interested in the Melbourne example. They have an accord, I think. They use a different word, but it seems to be quite a successful arrangement in Melbourne. Since you have referred to that, do you want to elaborate on that because that might be an example we could potentially learn from in Sydney?

Mr HEMMES: I do not have the details of the accord, but I know that the reason it is being successful is because all the stakeholders from Government—from the Premier to the police to council and to all the industry retailers—have the same agenda and that is to make it a vibrant, safe 24-hour economy. If everyone works together—and I think the Local Liquor Accord is a fantastic platform for us to work closely with the Government and the police—we will have the best outcome for our city.

The CHAIR: You talk about everyone being at the same table. I have asked this of other witnesses. It is necessary for everyone to be at that table.

Mr HEMMES: Of course.

The CHAIR: It is not just your problem, or your problem six weeks after the fact. It is your immediate and perhaps preventative and proactive problem. Can you comment on that and who you think should be around the table in any such organisation in Sydney?

Mr HEMMES: I think all stakeholders need to be involved in the committee. There are some great examples of where a night-time mayor has been successful around the world. If we look at the greatest cities that have success with this, such as Tokyo, New York, London, Paris, Amsterdam, they all have a form of night-time commissioner or mayor, which really is a conduit to bringing all the stakeholders together and assuring that everyone is on the right trajectory to maintain safety and create vibrancy.

The CHAIR: Before I turn to other members, can I ask a final question on the infrastructure and light rail? You referred to that. Is that something you think is a difference in your area compared to other areas, such as Kings Cross, which is less dense?

Mr HEMMES: We have got multibillion-dollar transport infrastructure that has been on the build for quite a few years. It is about to open. It is a fantastic opportunity to open the city back up. We have many venues in residential areas, we have many venues in the city, we have venues up in the Cross: You cannot have one shoe fits all. You have to be respectful of the environment that you are in but I am focusing on the city because we are opening George Street up. We are pedestrianising George Street—or the Government has—and we have a light rail system and we have this incredible Metro system that is going to create such a fantastic transport mechanism for Sydney. This is our golden opportunity to get Sydney back on the map, and it starts in the city. I am sorry I keep focusing on it, because tourists—it is the highest density of people in the State during the day at work. We have got a captive audience who want to celebrate and go out and drink and dance and have a great time, and bring their families in. Then we have all the international guests staying at the hotels there. At the moment they are coming out of their hotels, they are seeing tumbleweeds. It is embarrassing. We have some of the greatest artists in the world coming to our venues. Madonna booked her after party with us. She arrived after 1.30 and we could not let her in to her own event. How embarrassing is that.

The CHAIR: Why was that?

Mr HEMMES: Because of the lockouts at 1.30. You cannot come in. She arrived at 1.45 and we could not let her in, to her own event. So then they all leave. That is an embarrassment on an international scale. We had the Chelsea football team come in. They were celebrating and the coach went out to make a phone call, and he could not go back in after 1.30. So they all left. They just do not understand what we are doing. It is an embarrassment. For the younger generation, the same thing happened with Justin Bieber too. We also had the British Lions as well. They had booked their post-game event with us. Some of the players were late because of injuries and they could not be let in. So everybody left. It is an embarrassment.

Mr ALEX GREENWICH: Thank you to both your organisations for making submissions, spending time with us and letting us visit your venues. We have spent a lot of time today talking about a lot of the macro-policy issues. You are probably two of the largest employers in the hospitality sector. Whatever we have done previously or whatever we are to do in the future, it is your staff who are at the frontline of dealing with the rules that come up in legislation. I was hoping you could take us through what are the most confusing or frustrating rules for your staff to have to explain to visitors, particularly international visitors who may not understand and what difficulties does this cause in terms of our reputation and both the customer experience and also the employee's experience.

Ms BAKER: I think a couple of other witnesses touched on those today. For us those micro-regulations around drink service are the most confusing, where you cannot have a single malt whisky neat, because it is deemed a shot. But you could have had it an hour before that. Then if you stay in the venue, suddenly you cannot. You cannot order a bottle of champagne, because it is glass, it is served in a glass vessel. Then we either have to work around some level of service where the champagne bottle is kept over there, then we pour into plastic glasses because then we have to change all our glassware out. We have the cocktail scenario where you are only allowed to order off the cocktail list. If you have a cocktail list that maybe does not include the classics and someone comes up and asks for a martini, that is actually two shots. So, this is a very confusing landscape, for not only our bar staff, for domestic people, Sydneysiders do not understand it as well as local tourists.

You then put the fact that you have something like an ID scanner at the front of Kings Cross Hotel, that maybe the tourist or the 45-year-old local Sydneysider did not bring their ID, they cannot even get in. Or they have a function, an event and half the people bring ID and half were scanned, half cannot come in. It is a myriad of micro-regulation. I think the impact to us is that our frontline staff and managers spend an inordinate amount of time managing micro-regulation instead of focusing on the guest experience, growing our businesses, growing our culture, like actually creating culture, that we need to staff up our managerial roster to deal with regulation, whether that is our spot and surprise visits from local State Government bodies or absolutely what needs to happen within the letter of the law. It is an incredible impost that I am not sure has an end. What is that outcome? I think it creates an environment where people are fearful to have fun. You dance a little bit too wild on the dance floor

you get pinged and thrown out of the venue because people think you are intoxicated. Maybe you're just a bad dancer.

Mr HEMMES: It happens. I had a conversation recently with a prominent Singapore hospitality family. I was having dinner with them and they said, "What is going on in Sydney?" I said, "What do you mean?" They said, "We have been here a few days and we went to get a drink the other night after midnight and we wanted to order some whiskeys and we couldn't get it. I was in discussion with the bar tender why I couldn't have it. They said, 'Now you are being argumentative so now we definitely can't serve you, you must be intoxicated.' Then they asked us to leave." They said, "We are not going to invest in this city. It is like a nanny state." It is having ripple effects around the world.

The CHAIR: And that is coming from Singapore.

Mr HEMMES: That is right. Go figure.

The Hon. JOHN GRAHAM: You must be getting that question more often than that, it must be asked of you routinely by people you are dealing with who are coming to Sydney.

Ms BAKER: Every night.

Mr HEMMES: Constantly.

The Hon. JOHN GRAHAM: You are two of the most successful operators in Sydney, as Mr Greenwich has said. My question is how much better could this be? We have talked about the economic benefits, maybe \$16 billion a year but for me the real question is how quickly could Sydney bounce back if we got this right, and what would that look like?

Mr HEMMES: It is not going to happen overnight.

Ms BAKER: I think there will be an immediate impact within the first year, without a doubt, that there will be a general sentiment of excitement and positivity that they feel like the Government understands the issues that we face and understands where the future needs to go. I think that will generally change the culture of hospitality within the operators. It is not a positive culture at the moment. We do not know what the landscape is, it is hard to know whether to make a big, brave call. I believe we would actually feel the positivity from that quite immediately in that first year. I believe it is a three-year—

Mr HEMMES: Just slow it down.

Ms BAKER: Yes.

The Hon. JOHN GRAHAM: You both believe it is possible?

Mr HEMMES: If all stakeholders have the same agenda and we work closely together, and again it involves other industries as well. This is not just led by us at all. It will not work. It needs to be the arts, it needs to be retail, especially food. It is all industries working together and creating this diversity and excitement of offerings.

The Hon. JOHN GRAHAM: In the Merivale submission you describe Merivale as a food and beverage group, gaming and live entertainment. One of the things that has changed over time, you have fantastic food and beverage offerings still, but it really feels like the entertainment has been squeezed out of the city, the dancing and music, the fun we have talked about. Do you feel that is true?

Ms BAKER: The Kevin Bacon moment.

The Hon. JOHN GRAHAM: Do you feel that is true of your groups, but true of Sydney?

Mr HEMMES: Certainly. There are no people around at night at the moment, so there is no point in having live music on, which is expensive as well and there is no-one there. We need to create the diversity and get the people back in, and that will generate the employment of live acts.

Ms BAKER: Our live music industry used to rely on the ecosystem of venues. One DJ may have four, five gigs in one night, used to. They are probably lucky to get two in one night now because the programming has diminished, the number of hours of programming has diminished in each venue. So what you have also a sentiment of play it safe, at least people, the majority will like what we play. We are less risk averse. The emerging talent get less programming because you want the one who is going to bring in the crowds. It perpetuates the success of a smaller group of artists and we find that a lot of our DJs are going elsewhere for work, and they have also got three other jobs.

The Hon. BEN FRANKLIN: We have touched briefly on the importance of having a diversity of venues in a precinct. Newcastle is focusing on that very strongly. I would be interested in both of your views about whether you think there are advantages to having a genuine diversity of venues in the precinct, and what the advantages of that would bring to Sydney and to New South Wales generally.

Ms BAKER: I probably can talk to a live example, which is Newtown. That has always been a very diverse community, from the moment it organically grew, it grew with diversity at its heart. The local committee that it set up a couple of years ago, the roundtable to help Newtown navigate through this fairly complex environment, has diversity at its heart. It is a culture which supports the book shops that are open, the cinemas that are open, the live performance in the wine bar, the big venues where we have a thousand people dancing—and I can tell you they are all under the age of 25. There is live music, on any night you could probably look at five, six genres of music, from jazz to hip hop, and they are local artists, they are not what we consider the generic view on music. If we can actively create through legislation—and that is very much working with local government—a framework where we can do that and understand what diversity is, because it is then very easy to be very subjective on what someone may think is diverse and think that maybe we have got enough small bars or maybe we have got enough pubs, but actually what the offer is, is very different.

We touched on a venue such as Holey Moley. Kings Cross Hotel is right opposite Holey Moley. We have a completely different offering, but maybe we would be looking the same on a piece of paper with the same licensee, the same capacity, the same DA conditions, but our offering is very different. So that is where I believe that roundtable can come into play, where we can actually understand what diversity looks like. But it is also about the needs of the community. It is our role to be able to create culture for that community but be in touch with the community so we understand what they need. If we have that clarity from the Government and the positivity on what that vision should be, I believe a roundtable is the right place to start.

The Hon. BEN FRANKLIN: The second point is, there is obviously a lot of focus on the lockout laws and this is particularly to you, Mr Hemmes, your submission recommends that there should be the repeal or the modification of a number of other regulations in the Liquor Act. Which of those regulations do you see as having the most significant impact on our night time economy and what specifically do you think should be changed, other than the lockout laws which you have spoken about?

Mr HEMMES: We touched on the drink regulations on the Government saying what you can and how you can drink after midnight, which is a huge issue, particularly with foreigners and locals alike. We touched on that. I think for this to be successful we need an accurate mechanism to assess if there are areas of risk within the precinct. Currently the Violent Venues Scheme is certainly an inequitable environment where it does not take into consideration scale. Venues of scale are treated the same—for instance I have Angel Hotel, which we have had for 25 years, is right next door to our Ivy establishment. We get 20,000 people in Angel in a year, and we get two million visitors to Ivy, yet they are treated on the same level playing field. It does not take into consideration capacity or visitation. It would be like comparing the nominal assault levels in New York with the nominal assault levels in Hobart. It does not make sense.

The larger venues, such as Ivy, even though we have been classified as the most violent, I still stand that we are one of the safest venues in the country, statistically you have the least chance of being assaulted or having an incident in our venue. And we have best practice in the larger venues because we can afford it, where we have the best security, the best surveillance, and if an incident does occur we react very quickly and very professionally. There needs to be an accurate mechanism to assess if there are areas of risk that need to be addressed in the precincts, that we are getting a fair gauge on where those problems exist.

Mr GUY ZANGARI: I want to draw on your experience as a Sydneysider but also as a traveller overseas, and your experience in an Italian village, as you said. Where was that village in Italy? There is a bit of method to the madness.

Mr HEMMES: Perugia.

Mr GUY ZANGARI: The town was 10,000, 5,000 people, possibly?

Mr HEMMES: Without the festival, or with the festival?

Mr GUY ZANGARI: With the festival.

Mr HEMMES: With the festival there must have been over 50,000 I would say.

Mr GUY ZANGARI: On one specific night, and you stayed there for a few nights of course?

Mr HEMMES: Yes. I fell into the thick of it by accident actually.

Mr GUY ZANGARI: One thing about that experience there—and you have touched on it here with retail food, beverage, arts and culture—I am sure Perugia does not have a wonderful iconic opera house, a pristine harbour, or an iconic harbour bridge, yet they are able to attract people from all around the world, keep them safe in an environment where they can have a good time, where I am sure you would have seen people ranging from young, being possibly under 10, teenagers, adults, families and seniors. Where are we lacking here? Strategically looking forward for us to bring people back in, why can we not do it? If we can have New Year's Eve, the Mardi Gras, Vivid and major events, where are we lacking here? It is never too late, and drawing on your experience where do we need to go in order to get that experience that you had in Perugia, to bring that back here constantly in Sydney?

Mr HEMMES: I think it requires a well-coordinated committee to drive these events. I think Vivid is a fantastic example of how we can bring the city to life in the middle of winter. It is very well executed and has great visitation, but we just need the flow on after that. I think the diversity of offerings and carefully coordinated events to bring people into the city, there is no reason we cannot have an amazing jazz festival in the heart of the city now. It requires someone to be driving these events into the city, someone who is a coordinator and conduit to make these things happen, because if there is no one person doing that, we can talk about it for years and it will never happen. There needs to be someone who drives this, who takes responsibility for the night time economy and has a strong agenda to make these events happen, and actually makes them happen. Because there are road blocks put up all the time and it makes it very difficult for events to happen, but we need a clear pathway to make these things happen.

Mr GUY ZANGARI: For Ms Baker as well, as a stakeholder yourself you would agree with what Mr Hemmes has said there and you would be willing to be part of a stakeholder committee—

Ms BAKER: Absolutely.

Mr GUY ZANGARI: —or planning strategy in order to get us to move forward to get to that point where people are saying, the first place I want to go to is Australia, and Sydney particularly?

Ms BAKER: Looking at the history of Melbourne over the last ten years is a very wise thing for us to do. They had a moment in time where live music venues were being shut down. That was the catalyst to change and people were on the streets. There were protests about the venues shutting down. That was their catalyst to change. What then happened, it became a government issue, like right on the top of their agenda. That has trickled down. It never ceased to be a State Government issue, and it was always the priority. Then that became the Mayor of Melbourne's priority as well. He did not look at it as part of regulation, he looked at it as part of managing culture. There are a lot of articles about how that mayor at the time really looked at the City of Melbourne and looked at it broadly, instead of looking at it through a regulatory framework. How they did that was through all stakeholders, but it was prioritised and funded at all levels of government. It is easy, we as private investors and private companies need that signal from government in order to invest and that is what the City of Melbourne has done, and they have done it incredibly successfully and it has trickled through to Geelong, to outlying areas as well and it has become part of how they live and how they breathe.

Mr GEOFF PROVEST: I acknowledge both of you are leaders within your field but, like your businesses, politics is a business. These lockout laws were brought in after two very tragic and a number of other tragic circumstances. If we were to go out there—and I will be really blunt. I like being blunt. If we were to go out there and say, "We are going to repeal the lockout laws tomorrow, remove scanners and everything else like that," we would need something to say to the wider community that it is a safer environment out there. One of my little hobby horses from the industry is always when I was a licensee if we had an intoxicated person, we would have to evict them onto the street. There was no sort of middle ground.

Is it possible the industry could step up to the plate and offer, maybe, a chill out room or more of a level of care? I model that on recent inquiries into the music industry and festivals, that festivals are now required to offer a level of care, whether that be medical facilities or free water. Do you think we have come—and I have heard the comment from many operators, "We have come a long way from the bad old days," and, "Trust us. We're really good. We fixed it and all the rogues have gone and everything's going to be happy." But we need something. And I think it needs to be driven by the industry to sell to the wider community, to sell to the residents groups just down the road or the other ones about why it is going to be safer by allowing venues to trade late and have single-malt scotches after midnight and things like that. And so I was just seeking your comments on that.

Ms BAKER: I think we would be open to looking at anything that is part of the solution. I agree with you. The hardest thing is, especially if you have got young 20-year-olds in your venue, to evict them onto the street is not the right thing to do. Our duty of care is to our customers, and I would say between the two of us we have spent a lot of money on training. And that is first aid training. And the first thing on first aid is the duty of care. And so our managers believe that that is part of it. But our security guards also go through that. We tend to

hold people close, but outside our venue. I do agree that we would be very open to having a look at that as a broad-based solution as well. And the duty of care to get that person safely home can also be part of that mandate.

Mr HEMMES: Yes. Because under the current legislation we have to evict them.

Ms BAKER: Yes.

Mr GEOFF PROVEST: That is the whole point. You have to push them out.

Mr HEMMES: Yes, it is crazy. We have a duty of care. We need to look after them and make sure they get home safely.

Mr GEOFF PROVEST: And that often causes, from my previous experience, conflict.

Ms BAKER: Yes. Exactly.

Mr GEOFF PROVEST: You are evicting one and then there is a problem with the friends and things like that.

Mr HEMMES: I was recently in San Francisco and I spoke to a bar owner who—they have a very different idea over there of what intoxication and everything is. But basically, they just sit them down. There is a special place, a table close to the corner. They just give them water, they give them food, they get them back together and it is never a conversation about evicting out of the premises.

Mr GEOFF PROVEST: Do you think the industry as a whole would adopt something like that?

Mr HEMMES: Absolutely.

Ms BAKER: Absolutely.

Mr GEOFF PROVEST: We need something to sell, because as you have seen from those submissions, there is significant pressure to say, "Keep them the way they are." Thank you.

The CHAIR: As I keep saying, "A kebab shop on every corner."

Ms BAKER: Or we could have one in our venue for some late night food.

Mr GEOFF PROVEST: We need one in the Parliament.

Mr KEVIN CONOLLY: Mr Hemmes, you mentioned a couple of times that you want to see Sydney as a 24-hour city. I imagine if some of our previous witnesses have been hearing that, they would be hearing "24-hour alcohol availability" and thinking that is not a good thing. I do not want to misquote them, but I think I heard today—and somebody might be sharper in recollection than me—that for every hour of alcohol availability after midnight, there is something like a 20 per cent increase in presentations at hospital emergency wards due to violence driven by alcohol. Have I got that right? I hope so.

Mr GEOFF PROVEST: St Vincent's, I said.

Ms BAKER: It was St Vincent's.

Mr KEVIN CONOLLY: And they were quoting international studies supporting that general proposition. And therefore they would be, obviously, opposed to us changing the extended availability of alcohol at the moment. Some of them would like us to reduce it. Can you comment on that in relation to your call for a 24-hour city?

Mr HEMMES: By no means am I ever suggesting that we have a 24-hour economy based on alcohol consumption. None at all. My concern is at the moment our city is—as I mentioned before, there are tumbleweeds in the street after 9 o'clock at night. So this is about creating a vibrant environment and atmosphere which attracts people. And people attract safety and a diversity not only of offerings, but also of people. As Justine mentioned, we are also talking about shift workers. So as the night-time economy grows, people are finishing shifts at different times and they are going out for dinner. They want to go and eat and they want to go and socialise because this is their social time. So by no means are we talking about a late night economy that is based on alcohol consumption at all. It will be driven, I think, heavily by food and live music and entertainment and dancing and having a good time.

Mr KEVIN CONOLLY: In relation to this inquiry, which really has to deal with laws that were introduced around alcohol availability, what is the implication, then, do you think?

Mr HEMMES: I would just like to touch on some examples around the world. I mean, I don't know if you have been to Tokyo lately, but this city is incredible. It is vibrant 24 hours a day. I was in Tel Aviv recently and you walk out on the streets at 2.00 a.m. in the morning and people are walking their dogs, they are sitting in

cafes. This is an incredible metropolis. In Tel Aviv? Now, why can't we be doing that? We can. And we can maintain a safe environment when we do it. And we have to work harder and we have to work together to make sure that if this legislation is changed and we open Sydney back up that we ensure that we maintain it and keep it a safe environment.

Mr KEVIN CONOLLY: Specifically which part would you want to see changed?

Mr HEMMES: Removal of the lockout laws and removal of drinking restrictions and removal—

Mr KEVIN CONOLLY: Sorry, "the lockout laws" is shorthand for a number of things. I have been asking a lot of witnesses this—which bit is the operative bit, from your point of view, that is doing the damage to you?

Mr HEMMES: All of it. And I just want to remind everyone that we are talking about lockout laws because a lot of the youth think that the lockout laws are a statewide legislation. It is not. It is the CBD. It is Oxford—it is not even all of the CBD. It is a portion of the CBD. It is Oxford Street and Kings Cross. It is not even—Barangaroo is exempt from it. The casino is exempt from it. We are talking about a small area that has these lockout laws. The broader community do not actually realise that. So let's remove the shackles, maintain a safe environment, work closely with the authorities, continue what we are doing as best practice, improve it and build this city back up, because at the moment people are coming into the city—particularly international guests—and going, "Really? This is not a vibrant city." And they are going to Melbourne.

Ms BAKER: We talked about how the world today is so different. Young people will go out at 11 o'clock at night. They will not go out at 7 o'clock. That is the time their mum and dad go out. So they go out at 11.00 p.m. They are connecting with each other before and then they go out at 11.00 p.m. They want to see live entertainment. They want to dance. Yeah, sure, they want to drink alcohol. But that is okay. And we have the rules in place with Responsible Service of Alcohol [RSA] and the regulation to manage that.

Mr HEMMES: That is right.

Ms BAKER: But if the venue shuts, they have this very small window. So maybe it is actually better if they stay at home, is how that thought process starts to manifest. And so then you have the ability where people can order in, Jimmy Brings alcohol, they have got the food ordered in, they play whatever music they like. They can have a party at home. That is not a night-time economy. It does not fuel anything. It does not fuel employment or investment. It does not fuel a culture and it does not create what we all want in the city.

Mr HEMMES: It certainly moves the youth into house parties and uncontrolled environments at home.

Ms BAKER: Absolutely. Yes.

Ms CATE FAEHRMANN: That is almost a segue to my question, if I can jump in. Ms Baker, you mentioned earlier about some DJs moving, I think, interstate. I have heard from a number of them myself that, yes, there are the lockout laws and all that has come with it over the past five years in terms of Sydney's vibrancy, but part of that as well is what people are calling the overbearing police presence, the harassment, the strip searches. In fact, I was at the Ivy recently. I think it was a Rodd Richards and Boy George.

Mr HEMMES: You did not get stripsearched?

Ms CATE FAEHRMANN: No, I was not stripsearched, thank goodness, although I did have to walk through a big police line-up out the front. And I think one of the DJs performing that day was searched. So it is beyond ridiculous, is what we are hearing from a lot of young people. And in fact, it is stopping them going out as well as the lockout laws. You just talked about house parties, for example. I just was wondering if you could both comment on that in terms of how much that is also impacting, in your opinion—if it is or is not—Sydney's vibrancy and nightlife?

Ms BAKER: Speaking to our staff, as I said, 60 per cent are under the age of 28. They are also our customers. I am sure they are your customers. They are fearful of the police. To walk past 16 police with sniffer dogs is not something they want to do and I do not think it is anything that we want to do either. They will actively walk away from venues that are regularly inspected by sniffer dogs and a huge police presence, even if they are not doing the wrong thing. I think it adds to that culture of nanny State, police State, over-regulation. I think Newtown has also shown that by working with police and going back to basics on community policing, it can work. I think our relationship in Newtown with local police is fabulous. It is very open. We feel like we have a partnership. It is not adversarial. In other areas of Sydney it is not like that. I do think it is a really important factor that needs to be taken into account. They are a key stakeholder in all of this and obviously have a very important voice.

Mr HEMMES: It is paramount for this to be successful that we are seen as a safe city, because safety is what makes people come out in masses and move around between venues. Obviously, the police priority is to maintain safety. All the major cities in the world that I have seen that are successful, there is a huge presence on the streets. The police are on the streets and you feel safe walking around in between venues. You know you are being watched, you know they have got an eye on you and you feel safe. The presence in venues, I feel, is intimidating and really changes the vibe and atmosphere in a space. It actually deters people from going to those venues. They say, I do not want to feel like this, so they do not go out or they go somewhere else. They go to the parties where they do not have that. It is vital to have that police presence because that is what creates safety. They have been doing a fantastic job with personal responsibility for people who do mess up and are violent. For this to work I think there needs to be a good presence on the streets but less in venues, because we have such controlled environments in our venues. Every square metre is covered by surveillance cameras. We have an abundance of security guards in high vis vests standing up on podiums looking at everyone. That is intimidating enough. It is effective and it is working, but coupled with the police presence as well, I think they would be better served on the beat.

The CHAIR: When you spoke of the tumbleweed, we had evidence from another witness about women in particular feel safer when there are groups of people around. If it is empty, they feel less safe. I am sure blokes do as well, but numbers seem to increase safety.

Mr HEMMES: Certainly.

The CHAIR: I acknowledge that you did support lockouts when they first came out, you mentioned that at the outset. That is brave of you.

Mr HEMMES: Do not hold that against me, please.

The CHAIR: I would like you to finish on this, if there is anything else that you would like to add. The overwhelming evidence is that things seem to have changed since that time. Obviously something was needed then and we have evolved since then. Is there anything else that you wanted to add about that evolution and where we are now?

Mr HEMMES: Perhaps in hindsight it should have been grandfathered and reviewed, at least annually. As I said in my opening statement, the pendulum has swung too far now and we have got a lot of ground to catch up on. With the right people in place, the right committees and everyone on the same agenda, we can make the city exciting again and bring it back into the top 10, not the bottom 10.

The CHAIR: It was visionary of you at the time to accept there needed to be something done, but perhaps we need to be visionary now in our view about how we can approach it in a different way and not just about lockout laws and alcohol.

Mr HEMMES: Sydney has reset, it has been recast. It is a different time now.

The CHAIR: Thank you both for your time and all you do in this very important industry and for providing written submissions to us earlier. We are appreciative of those and for appearing before the Committee today. Our public gallery is much fuller for some reason this afternoon than it was this morning. The Committee may wish to send you some additional questions in writing, the replies to which will form part of your evidence and be made public. Would you be happy to provide a written reply to any further questions?

Mr HEMMES: Yes, of course.

The CHAIR: Is there anything further to add?

Mr HEMMES: We started a little petition in some of our venues a couple of weeks ago.

The CHAIR: It does not look so little.

Mr HEMMES: We started four weeks ago and we have had 16,000 signatories. Maybe I should table that to the Committee.

The Hon. Cate FAEHRMANN: Just to clarify, what are they asking?

The Hon. BEN FRANKLIN: Yes, what are they asking for?

The CHAIR: To keep the lockouts?

Mr HEMMES: It is a removal of the lockout laws and opening up a 24-hour city.

Mr ALEX GREENWICH: Is this a petition which you would like us to formally table also with the table office, noting that petitions over 10,000 do spark a debate in our Legislative Assembly?

Ms BAKER: Yes, please.

Mr HEMMES: Yes, please.

Ms BAKER: A couple of years ago, 15,000 people got on the streets in a Keep Sydney Open march to try to repeal the lockouts and nothing happened then. We would love this to be the start of something.

The CHAIR: Just to advise the formalities, it will need to be provided to a member so the member can formally move that. It can be moved in either the lower House or the upper House but you may choose to give that to a member of Parliament to formally move in the Parliament. Thank you for putting that together and presenting that.

Mr HEMMES: Do I do that now or not?

The CHAIR: We will accept that from you and somebody can deal with that.

(The witnesses withdrew.)

(Short adjournment)

MICHAEL JOHNSON, Chief Executive Officer, Tourism Accommodation Australia, sworn and examined

MARGY OSMOND, Chief Executive Officer, Tourism and Transport Forum Australia, affirmed and examined

DEAN LONG, Chief Executive Officer, Accommodation Association of Australia, affirmed and examined

The CHAIR: Thank you for appearing before the Joint Select Committee on Sydney's Night Time Economy today to give evidence. I am grateful for your prior written submissions. Thank you for preparing and providing those to the Committee members. They are very helpful and you can assume that they have been read. Can I ask you to please confirm by saying yes, that you have been issued with the Committee's terms of reference and information about the standing orders that relate to the examination of witnesses?

Ms OSMOND: Yes.

Mr LONG: Yes.

Mr JOHNSON: Yes.

The CHAIR: Do you have any questions about that information?

Ms OSMOND: No.

Mr LONG: No.

Mr JOHNSON: No.

Ms OSMOND: Just to give a bit of a highlight to people who perhaps do not know what TTF is, the Tourism and Transport Forum covers not only the tourism and transport sectors, but also aviation and all of the extended parts of the visitor economy, as well as the large infrastructure players around the country. So this is clearly a very important issue for us because amongst that membership are of course major hotels and restaurant groups and other people who have an interest in how good, bad or perhaps not as exciting as it might be, Sydney is as a destination. I think there is also an issue to do with Sydney is a city that goes way beyond simply New South Wales. It is the gateway city to Australia—so there are national implications to how exciting, interesting or desirable—or not—that city is to international visitors in particular.

While we are still seeing fairly strong figures for international visitors to Australia and to Sydney, it is very important to understand just how globally competitive the tourism marketplace now is. It would be wrong to assume that the kind of numbers we are seeing, particularly out of Asia and China specifically, will simply keep going the way they have. That is not the case. In actual fact, anecdotally our members tell us that this has been the softest Chinese New Year period that any of them have seen for probably six or seven years. There are a number of reasons for that, which I will come back to in a moment.

Sydney plays a very critical and ongoing role in that tourism delivery space and it is critical that it is a vibrant city with a lot to offer. One of the reasons why it needs to be that vibrant city with a lot to offer is that there are 8.5 million international visitors at stake in the marketplace. One of the things that we are starting to hear anecdotally from that Chinese and Asian market is, "What's new?" They are starting to ask the question about, if they are coming to Sydney, is it going to be fresh, is it going to be interesting—they have seen all before and they are not terribly thrilled with the fact that the city is going to close down.

At a time when what we not only need to do is bring them to Sydney, but encourage them to get out into the regions of New South Wales, it is evermore important that Sydney is that gripping gateway that it needs to be. There is also an element here to do with major events and the bidding capacity around major events and how interesting the city seems as a part of that process. Sydney is currently bidding for the WorldPride event here in 2023, which is a massive injection to any city. These are the kinds of things that will make a difference in that bidding process.

I think it would be fair to say that from TTF's perspective, worst-case we would like to see them reviewed, best-case we would like to see them completely removed. We have some other thoughts in terms of the viability of the city in a different kind of night-time economy environment and part of that would be around a capacity to move people in and out of the city. That is probably a critical part from our point of view. While we freely accept that the most critical issue is going to be safety and making sure that people are well looked after when they are in the city, we need more drop-offs zones for rideshare and taxis and all of those sorts of things.

We also need train and rail services that run 24 hours on Friday and Saturday nights as they do in places such as Melbourne and London. We know from the Melbourne samples that over 20 per cent of the people using those services are in fact hospitality shift workers, who are providing that night-time economy in Melbourne. It is

therefore overwhelmingly important that if we are realistic about turning the city back into what he needs to be, we need to provide that type capacity. From our perspective—tourism employs 171,000 people across New South Wales—we would like there to be a lot more jobs and one of the ways for that to happen is a brighter, more vibrant city with a better nightlife. Thanks.

Mr JOHNSON: Thank you for the opportunity to speak to our submission today. Tourism Accommodation Australia is the peak industry association representing hotels, motels and serviced apartments in New South Wales' \$8 billion accommodation sector. We are focused on the future development and growth of the accommodation sector and I am sure as most people in this room be aware, there is quite a substantial pipeline of accommodation coming to Sydney. We are focused on the sector within the broader, vibrant tourism and hospitality sectors that exist in New South Wales and it was with that in mind that we made our submission to this Committee's inquiry.

We seek to ensure that New South Wales continues to be the premier State when it comes to tourism. As a State we frequently top the charts in the international and domestic business surveys, however reports from our members suggest that our reputation has been damaged by the so-called lockout laws. Negative flow-on effects take a while to be reflected in the data sets available and data in our sector is an imperfect art. We already know from previous appearances before this Committee that data is a delicate matter.

What we can tell you for certain is that there is concern in the accommodation community. We are heavily reliant on not only the tourism dollars, but also the higher-yielding business and conference markets that are so vital to our industry's success. As a city, our Government has invested substantially in our new International Convention Centre, for which we are truly grateful; however, we jeopardise its success if it is not supported by a vibrant, safe and well-regarded night-time economy. On a national and international level, we are competing with other States and countries and with the damage and poor reputation that our night-time economy currently has, we are giving business away. A negative impact on Sydney's night-time economy has been the policies introduced in 2014—there is tangible and anecdotal evidence which demonstrates that restricting the trade of one part of the night-time economy has had flow-on effects to other areas.

By implementing strict measures in 2014, Sydney's reputation as a global city has been compromised. To maintain New South Wales' coveted top spot regarding tourism, Tourism Accommodation Australia recommends the following steps be taken: as mentioned by Ms Osmond, increase public transport options at night; enhance the late-night trading and diversity offerings; remove regulations on CBD and Kings Cross; increased visible security and policing; run additional educational campaigns for our youth; and establish a task force for the night-time economy enhancement. Thank you.

Mr LONG: I promise I will not be too long because I think you will hear three very similar opening statements, which is to say that the tourism industry has been somewhat damaged by the lockout laws, in particular the night-time economy. We are all feeling it—all of our members are hearing it loud and clear, particularly in an economic environment which is softening. If we make it harder for people to employ, we make it harder for people to spend and we are going to have a further softening of the economy in general. Just to put some numbers around it in Sydney, there are over 22,000 hotel rooms; we are employing over 26,000 nearly 27,000 people; we are about to enter a period of hotel construction boom, with over 10,000 additional hotel rooms entering the Sydney market—7,000 of those directly in the CBD, 3,000 in the Sydney surrounds.

We need to get the night-time economy policy settings right. We really welcome the opportunity to present on that. Some of the key areas we definitely need to address are public transport access and ensuring that we have the right settings for the right environment—so risk-based licensing should not just be about fees it should be looking at venues and having the right licensing arrangements for each venue so that hotels that provide a place for people to sleep are not in the same breath as those that provide just alcoholic beverages. It is important that we have got that right across the entire economy. We welcome the opportunity for questions.

The Hon. JOHN GRAHAM: Thanks for your submissions. It really has come home today, with the conflicting witnesses we have had, that this is a very complex issue. The Committee is really struggling—we want a vibrant city and State and we really want to keep people safe. So, it is very complex. From a tourism point of view—well, the other complexity is that there is a decade of overlapping regulations sitting on top of each other, which is impacting on the city. From the tourism point view though this is really, really simple—this is just a disaster from the message that Sydney sends out to the world, particularly when we have had the evidence in front of us about two surveys.

I do not doubt that there would be others, but we are last—forty-eighth out of 48—in the cities of the world on nightlife in the *Time Out* global cities survey, and there is another survey saying we are last when it comes to average closing times, not the theoretical one but on average when our venues close. All of that is focused around this one idea of the lockout laws, even though there is a lot more going on and it actually is a lot more

complex, but do you agree that it has just become symbolic of Sydney, and that is the opposite of what our view to the world was? It just cuts across everything we had—

Ms OSMOND: Absolutely, and I think it impacts way beyond the issue of just inbound international tourists because Sydney is a great destination for domestic tourists, and we have seen some damage to those numbers as a consequence—Melbourne is picking up a lot of action and, to a degree, so is Brisbane. But the other thing that we hear, because my membership spreads from classic tourism through to the major infrastructure operators, if you are trying to get young talent to come and work here in Sydney and to contribute to the business community—not necessarily hospitality; it might be building metros or goodness knows what else—for your average millennial who is based in London or Dubai at the moment, if you say, "Come to Sydney and we'll give you lots of money", that is not nearly good enough, because they have got the word that Sydney is just not a particularly interesting place to live in anymore.

The Hon. JOHN GRAHAM: So tourism is not the only thing; we have to balance a whole lot of things.

Ms OSMOND: Correct.

The Hon. JOHN GRAHAM: But it is basically like putting up a stop sign when it comes to tourists—

Ms OSMOND: It is, and I think the problem is that word gets out. The international gossip network from a tourism point of view is pretty impressive and also very difficult to undo once the word is out. It is a bit like the backpackers exercise when they decided to put a tax on the backpackers and Dean and I are veterans of that argument too. That damaged that market enormously, not when they put the tax on, just when they started to talk about it, and we know that that same messaging has gone far and wide from a tourism perspective, particularly in the millennial space, so they are more likely to go to Melbourne, and that is great from a national point of view, but it does not contribute to the sort of jobs, vibrancy and activity that should exist in Sydney.

Mr LONG: And Sydney has a particular marquee destination about it. Sydney needs to be firing for the country to be firing. I mean Margy and I both represent a national organisation and national memberships. If Sydney is not firing, the country is not firing in terms of economic growth. These types of policies do put up roadblocks, to use your words, to make it just that little bit harder—and it may not be that they actually stop coming to Australia, but they will go elsewhere. It has never been easier to travel anywhere in the world now. So it is important that we get the settings right in Sydney so that Australian tourism and economy can thrive.

Ms OSMOND: I think there is another element too that is not to do with visitors, it is to do with investment. We are sending a very particular message to investors all over the world, and I know we have quite a bit of hotel stock coming on board, but the bottom line is that that is not the only thing people invest in—it is venues, it is a whole range of other issues in that space—and I think New South Wales has been sending some pretty unfortunate messages over an extended period and very much in the last couple of weeks too in terms of coming to Australia and coming to Sydney and investing.

Mr JOHNSON: If I can just add that the reputation spreads across the corporate world as well, and when I say "corporate world" I talk nationally, and a lot of those businesses that would normally have had national meetings in Sydney—and I am talking about smaller businesses where maybe 20 of the executives would come together for a meeting and would normally come to Sydney—that is always in question now. That is very much based on, "Well, maybe we will flag Sydney", and they will pick another city just based on our night-time economy because they want to have a meeting and then they want to go out and enjoy themselves, and that is not happening.

Ms OSMOND: That is right, and there is a bottom line here. If it is a great place to live, it will be a terrific place to visit. So if locals are saying that they are over this now and it is time for a review and it is time for a much more collaborative approach, visitors will be saying the same thing.

The CHAIR: I am going to move to Cate Faehrmann, but I believe that the Hon. Ben Franklin has a question on that issue.

The Hon. BEN FRANKLIN: Just one quick follow-up: In terms of the reputational issue, apart from the obvious of changing the legislative and regulatory settings, which you have argued for, what do you think we specifically need to do in terms of turning our reputation around?

Ms OSMOND: There have been some interesting suggestions around the traps. We have heard everything from Minister for Sydney to potentially a night-time mayor—a number of quite vibrant cities have night-time mayors. I think probably investing significantly in promotion is going to be extremely important, regardless of which decision is made in this space. So I think that the State Government probably needs to focus on this issue of how best to promote the changes and the ongoing vibrancy of Sydney—I think that is going to be critical—but I also think it is the more strategic view of the supporting infrastructure. You have to deal with all

of the other things that make it a great city and that is not wholly and solely just about the lockout laws, there are a range of other parts.

Mr LONG: On that as well, one of the key points is that my members—they are Accor, they are Hilton, they are IHG, they are the small mum and dad operators in regional New South Wales and Australia—they are really good at selling great products and experiences. We have to allow those opportunities and experiences to exist to allow us to sell them. We know the State Government invests already heavily in Destination NSW, but our members collectively would outspend that by quite a quantum, so we need to be able to have those products and services, making sure it is a safe environment, making sure it is manageable, making sure that the venues are there, the hotels are approved, and all those planning regulations are put in place to ensure a safe, vibrant experience. Those experiences will develop themselves and then we can market them.

Ms CATE FAEHRMANN: Ben stole my exact question.

The Hon. BEN FRANKLIN: Sorry. You have stolen three of mine today.

Ms CATE FAEHRMANN: You jumped in ahead of me and said it was directly relevant. So is mine, but anyway, come back to me and I will think of the next one.

The Hon. BEN FRANKLIN: I have another one too, by the way.

The CHAIR: Of course you do. I was going to say the same thing in the same vein. I think we have heard plenty today, and over the course of the hearing and in the material, about what the problems are, but perhaps we should be starting now to focus much more on what the potential solutions are across the range. If it is on that point—

The Hon. BEN FRANKLIN: It is not on that at all; it is on something entirely different.

The CHAIR: I will come back to you.

The Hon. BEN FRANKLIN: No problem.

The CHAIR: Guy Zangari?

Mr GUY ZANGARI: Thank you—you were probably going to steal my question.

The CHAIR: It is late in the afternoon.

Mr GUY ZANGARI: Yes. Thank you for coming in, it is lovely to see you all. I want to focus on night figures for accommodation from 2014 until now. You might not have those figures here, but it may be something that you could provide on notice as to what has been the trend, and are we declining in the nights that have been taken up. I really would like to know about that and what those figures are.

Ms OSMOND: We can work on that one for you. I think there are a number of complicating factors now in terms of how you measure the nights, not the least of which is the growth of the sharing economy, which has skewed that a little bit, and I think by its very nature the data in this space—the tourism industry data—can sometimes be a little difficult to get conformity on, but I think anecdotally, as I said previously, Chinese New Year has been a huge growth market for every one of the capitals on the eastern seaboard over the last decade and it has come as a pretty nasty shock this year to see those figures drop, but Sydney has actually been worse than the other capitals on the eastern seaboard, so there is clearly some sort of messaging happening here about "We're not as interesting or exciting as we used to be".

Mr GUY ZANGARI: The figures that I am talking about obviously are for your members, of course. I know that there other providers, but particularly your members in and around the CBD and surrounds, so if we can confine that it would make it a lot easier.

Mr LONG: If I give you a year-to-date occupancy for Sydney it is going to really excite you. I am going to say that there is about 83 per cent occupancy and you are going to say, "That is really, really good", but the one thing that the regional members of this Committee will know is that there has been a significant price deflation in the market to maintain that occupancy rate. You will never find a private sector company willing to come in front of a parliamentary committee and talk about price. What I can say is that if you just go direct and have a look at some of the prices available on those websites you will see that it has probably never been cheaper to stay in Sydney. This is not sustainable. This is a massive softening of demand that we, as an industry, are working hard to maintain, but we have seen that softening. That was one of the things why we came to this Committee, we wanted to talk about these policy settings to help us drive that demand, which then allows us to continue to support the over-27,000 New South Wales people we employ.

The CHAIR: I am going to ask you to take it on notice that we have some basis for those numbers, if you would provide us with something to demonstrate that?

Mr LONG: Yes, absolutely, very happy. That number is provided via an independent process. It is called STR and it is a company that collates that data on behalf of everybody that contributes that dataset as an independent, and I am happy to provide that source to the Committee.

Mr JOHNSON: There are some other variables in that as well with regard to additional inventory that has come online, so we do have additional inventory in the mix, so that also has an impact on the occupancy, but rightfully as Dean was saying, the rate and the dropping in average rates is predominantly due to not achieving the compression that we need in the marketplace and that compression comes from exactly that, from everything working together, and I think that is the important message.

The CHAIR: On that point, not to let the facts get in the way, but we do have a submission from Destination NSW about the actual visitor numbers which have increased in Sydney. That has recently been provided to members. So there are some numbers there that we might compare and contrast as well.

Ms OSMOND: Yes. There has been an increase in visitor numbers in every State in Australia over the last decade and that is all because you have this amazing, big country called China with an ever-growing middle class that are visiting. I suppose what we are saying is if you look at the percentage growth, you are going to start seeing softening in that percentage growth of the market. It is always going to be getting bigger. And that, in fact, is a big problem for the industry because people tend to look at us and go, "Fine. You're doing it fine. We do not have to worry about you. You are just growing." But we know that we are seeing a drop in the rate of growth. So we are happy to get you some data on that.

Ms CATE FAEHRMANN: We heard from a couple of witnesses this morning that there is fear within some of the residents and potentially some of the physician groups that we have heard from, that if the lockout laws were repealed, things would go back to the bad old days, if you like. Some of the liquor licences in, for example, in Kings Cross are just dormant, and that Sydney or parts of Sydney could again develop this kind of binge drinking culture. In terms of a tourism perspective, firstly, I suppose, what is your opinion in terms of will that happen? And if that did happen does Australia have that kind of reputation and did it have that kind of reputation five years ago?

Ms OSMOND: Not really. No. I think you would have been flat out finding an international visitor that was in any way conscious of that but I do think it begs the question that this is not just about the liquor laws. This is about the larger strategic approach to how you make the city work and I think that is the critical difference. We are talking about either removing or radically reviewing these laws with a different set of supporting circumstances, i.e. public transport, drop-off zones, a more collaborative approach with the industry, better education and a stronger education into that personal responsibility space. We should be reviewing this because we have learnt a lot since this was first brought in and that learning is about the other things that support this kind of decision. I think that is why all of us in our own way have been talking about the larger strategic issues around it.

Ms CATE FAEHRMANN: Thank you.

The Hon. JOHN GRAHAM: I just want to clarify one of the issues you have raised there. That is about promotion. I guess my perspective would be the worst thing we could do is try and promote our way out of this problem until we are confident it has been fixed. The last thing we want to do is tell people this has got better, spend money telling people it has got better, and then have them come here and tell their friends it has not. We have just had two of our biggest, most successful operators come and say there is a problem. I agree promotion is obviously important. But I think you would agree we have got to make sure the settings are right, make sure Sydney is safe, make sure it is vibrant, and then get the word out. We have got to get the order right here.

Ms OSMOND: I could not agree more. I think the issue for us, though, is that promotion operates a bit like, it is like the tree in the forest. If nobody saw it, did it fall? It is an incredibly competitive environment. We have just come through a State budget where there have been some very significant cuts to the promotional budget. We are in conversation with the Government and they have done an outstanding and sterling job for many, many years in this tourism and promotional space. We are having that conversation with them at the moment but it is not so much just willy-nilly promotion here. I mean, the bottom line is you would fix the problem, put the settings in place and then start talking about the vibrancy of the city again.

The Hon. JOHN GRAHAM: My point is really you cannot fake it in the era of social media.

Ms OSMOND: No. Absolutely not.

The Hon. JOHN GRAHAM: So it is either, you have either got something which is solid, is ready to go and people are happy to really stand up and say, "Look, I had a great time here and here is a photo." The old days of the State Government or the national Government sending an ad out to say, "Come and visit," we are just in a totally different era these days.

Ms OSMOND: Exactly. I agree with you completely. The social media piece is critical. But I think equally, from a social media perspective, there are lots of younger people who are going, "Ho-hum" on social media at the moment. And when I say promotion, it is about addressing the perception of "Ho-hum." Once we have fixed the problem it is going to be quite important.

Mr LONG: And just on that point if I can add, my apologies, on that, you cannot stop marketing and growing events. The New South Wales events calendar has been the envy of the nation for the last decade and particularly the past eight or so years. And when we are talking promotion of the State, we are talking about an active and vibrant events calendar supported by a fantastic business events conference season that becomes part of that. All of those things have multi-year cycles, at least I would say a two-three-four-year cycle in that bidding process, so when we are talking about promotion we are not just talking about a lovely TV ad. What we are talking about is the active proportion of the State to drive the economic return and to drive employment.

The Hon. BEN FRANKLIN: The three of you represent national bodies which are focused, obviously not just on Sydney, but on the entire country. My question is, do you believe that there has been any impact of the Sydney laws onto New South Wales' regional tourism? And if so, what?

Ms OSMOND: Look, I am not certain this is one that anybody has measured specifically.

The Hon. BEN FRANKLIN: No. It has not come up at all.

Ms OSMOND: But I would say that Sydney is the gateway. If Sydney is less interesting and people are less inclined to come there will be less people who go to the bush. That would be a serious problem. One of the things that we know about for example, for younger high-yield Asian visitors, whether they are Indian, Chinese, Vietnamese or whatever else, the latest trend is because Tourism Australia has clearly been very successful with Restaurant Australia. They come here and they eat something or they drink something fabulous in Sydney and then what they wanted to is go to the place it was grown or it was made. This is a big trend. It is a very symbiotic relationship between the city of Sydney and the potential of those regional zones. I think they are viscerally linked and if you were talking to some of the regional operators who have been feeling the benefit of that, I think they would have seen the same softening, particularly out of the Asian market.

The CHAIR: I just wanted to finish on a quick one. It is important to acknowledge the tragic circumstances that brought us here in the first place and to bear that in mind. None of us underestimates the task that is ahead of us. With that in mind, reference is often made to the balancing act that we have to do in providing a thriving night-time economy and to ensure that we balance that with public safety and amenity, of course. We have just heard about wanting patrons to be safe and have a good experience. Can I ask each of you in your view what does that look like, that balance? And what are the tin tacks of that. How do we get to that balance, what are the steps, what does it look like?

Mr JOHNSON: I suppose, as we have discussed earlier, I think it is a number of things. It does encapsulate transport, having a better transport system. If we are going to have this vibrant city, that people can come and go within that vibrant city, so there is a better transport—

The CHAIR: We started a light rail.

Mr JOHNSON: Correct. I think increased visibility of security and policing is definitely critical. I think that is something that ensures and gives that visible safety component—

The CHAIR: A bit like the New York, excuse me for interrupting, it would be like the New York experience where, Giuliani I think, put a lot more police on the ground. They would have photos with the tourists but equally they would be there to stop things quickly.

Mr JOHNSON: Correct. So that gives that element. Then I think we still have that opportunity to increase the educational programs with our own youth. I think it was mentioned before that they have got that responsibility themselves, for their own actions, and that they actually have a better understanding of that. That can be done through the schools, extensively through the schools. I think there is a number of things that can be done to encapsulate that there is that safer environment, particularly for our own youth and for the tourism that it creates.

Ms OSMOND: Well look, what constitutes a feeling of safety for people? To be honest with you, I think a deserted city centre or a deserted environment makes me feel infinitely less safe than—and I think if you

were to do social media straw-polling asking people—than a crowded space does. So clearly there is a need to repopulate these spaces to make them feel safer. But I agree with Michael once again, it is about the infrastructure that supports being open 24/7, and that will be about getting people in and out, it will be about getting visitors in and out or people who are coming to the city, and it will also be about those workers. None of this works properly if you do not have the right people operating those venues, et cetera, who can get in and out of the city. And I think the other thing, too, is that there needs to be, I think, a greater conversation in an organised way with the public and with the industry.

So it would be interesting—and I realise the parliamentary inquiry is doing a terrific job at having that debate and having that conversation, but I wonder if you did a straw poll in western Sydney, who would your average person between 16 and 22 say to you that they wanted to see happen? I would also agree with Michael's earlier point about the need for a task force or a mechanism that has specific responsibility for reinventing and re-establishing the night-time economy. I do not know that it is a night-time mayor. I am not certain how the Lord Mayor would feel about that. But nevertheless, I think there is a need for that joint collaborative body that, if you like, carries on the work of this inquiry in the longer term and sees you through the period of re-establishing it as opposed to saying it is a switch you flick on and off.

The CHAIR: Is that something you could envision being a part of?

Ms OSMOND: Sure. Absolutely. And I would be fairly certain there would be a number of our members, and certainly not just those in the accommodation space. There would be a wide interest amongst our members from everybody from airports and airlines through to cruise ship companies and transport organisers who would probably like a voice in something like that.

The CHAIR: And I know it is a leading question, but who else do you see at the table? Police?

Ms OSMOND: Without a doubt. If we are talking about instrumentalities, I think police. I think you do need the hospitals as part of the mix. You may actually need unions, also, given the workforce issues associated. But some sort of collaborative conversation.

The CHAIR: Maybe not. Sorry.

Ms OSMOND: Maybe not? Well, something that takes it off the front page of *The Daily Tele* and puts it back where it needs to be as a useful conversation.

The CHAIR: Yes. And everyone has a hand in fixing the problem and the vision for the future, because it also could be quite positive, not necessarily a negative.

Ms OSMOND: Absolutely.

The CHAIR: It could be a very exciting opportunity.

Mr JOHNSON: I think there is an opportunity to do it and do it right. And I think from where we stand today and to have that collaborative approach with everybody involved, we can create a cutting-edge night-time economy that the actual world is envious of. Go the other way. Go from number 48 to number 1.

Ms OSMOND: I think the other thing, too, is it is also about—dare I say it—I will hate myself for saying this. It will be about the age of the people having this conversation, too. I think there is a real need for a lot of younger people to be engaged in this on a regular basis as part of the governing mechanism. And also the music industry. I am sure if the music industry was given the opportunity to rethink how it operates and how it could collaborate and compromise too, we could have fabulous new and old venues opening in that space.

The CHAIR: And regulators. Liquor and Gaming, the licensing council, all of those working together.

Ms OSMOND: I think that is probably a given. Yes.

Mr LONG: If I could just address the Hon. Ben Franklin's point about regional New South Wales, we know the largest visitors to regional New South Wales are regional New South Wales. It is inter-regional visitation. But regional New South Wales is perfectly positioned to take the food and wine experience better than any other state. The fact is now you have got blueberry farmers in Coffs Harbour earning more money from blueberries than bananas. And that is what is happening. And there is an amazing opportunity for that. We would welcome further discussion on that. In regards to the one-stop shop, Chair, about one committee, I think we would all be interested in that.

The CHAIR: I am trying to find a better name than committee. I cannot find it.

Mr LONG: Yes. Look, I think committees are camels, and we definitely do not want one of those. But what we definitely would be interested in is a single approach to engaging on these issues. I was reading in one

of the submissions this morning that there are seven different authorities that look after noise complaints. That is absolutely ridiculous. That is not the way that a twenty-first century global city should be operating. Having a place where we can have these discussions, solve them and fix them, we would all like to be involved with that. Absolutely. It should include regulators, it should include planning, it should include the sector. And the industry associations and the members that we represent can provide that holistic approach to the Government and what you are looking for.

The CHAIR: I would have thought primarily it needs to include safety because after all—

Mr JOHNSON: That is critical.

The CHAIR: —prevention is better than cure.

Mr LONG: Absolutely.

The CHAIR: And part of the burden that weighs heavily on us is the potential for another tragedy, which none of us want. So we want to make sure we get that balance right.

Mr LONG: Absolutely. And I think one of the things we need to be aware of within this environment is yes, it needs to be a one size fit in terms of governing, feedback and production of policy, but it can't be a one size fits all for every licensee in the State, because that is not going to be sustainable or get the outcomes that we want.

Ms OSMOND: And I think the other thing, if I may just add this point, is that in Brisbane and Melbourne in particular, and to a degree Adelaide, but mainly Brisbane and Melbourne, they have watched this from the moment it was introduced and they have learnt the lessons. So they have put in place the things that we are now starting to talk about and they have that compromise and collaborative approach. And they are, you know, rubbing their hands that Sydney still does not have this issue solved.

The CHAIR: None of them are global cities, though, for the record. Any other questions from members? If not, thank you so very much for appearing today and taking the time to prepare submissions for the Committee. Some questions were taken on notice, and I ask that your answers to those be provided back to the Committee staff within seven days to meet our timetable. The Committee may wish to send you some further written questions. If they do so, your answers will form part of your evidence. Are you happy to receive further written questions from the members?

Mr LONG: Of course.

The CHAIR: Thank you very much. I appreciate your time and your consideration of these issues today. Thank you very much.

(The witnesses withdrew.)

JACQUELINE FITZGERALD, Acting Executive Director, Bureau of Crime Statistics and Research, affirmed and examined

The CHAIR: Thank you for appearing before the Joint Select Committee into Sydney's Night Time Economy to give evidence today. Can you please confirm that you have been issued with the Committee's terms of reference and information about the standing orders that relate to the examination of witnesses?

Ms FITZGERALD: I have.

The CHAIR: Thank you very much. And do you have any questions about that?

Ms FITZGERALD: No.

The CHAIR: Terrific. Before I invite members to ask you questions, do you have a short opening statement to make today?

Ms FITZGERALD: I do not, in particular, so I am happy to just take questions.

The CHAIR: Super-efficient. Thank you so much. Wonderful. And I particularly appreciate at this time of the day, not to undermine your—terrific.

Ms FITZGERALD: You have had a long day. I can see from your program.

The CHAIR: Okay. So questions from members?

The Hon. BEN FRANKLIN: The actual real question I want to ask is how many people call you "BOSCAR" rather than BOCSAR.

Ms FITZGERALD: I think it is about half, and we strike them off our distribution list.

The Hon. BEN FRANKLIN: So be warned..

The CHAIR: I was just showing off when I said that.

The Hon. BEN FRANKLIN: The question I actually wanted to ask is about the correlation between downward trends in nondomestic assaults, which appear to be everywhere. So my question is have you done a correlation between the Sydney area and the rest of New South Wales or Australia, i.e. is this something that was the result of the lockout laws and the other things, or is this just a trend that is happening anyway?

Ms FITZGERALD: Good question. It is actually not trending downwards since the lockout. So our most recent evaluation—well, all of our evaluations have tended to look at the lockout precincts, the displacement sites and the rest of New South Wales. So we are tending to see that since the lockouts, the trends in New South Wales have been reasonably stable. So we can, I guess, from that infer that the decreases we have seen in the precincts are not simply something that happened across the board. They were something that are coincident with the initiation of the lockout reforms, and we are reasonably confident that that impact within the precinct sites is not just a statewide pattern. So what we are tending to do when we are conducting our analyses is look at that pre-existing trend and look for an interruption at the time of the lockouts. So we are certainly taking into consideration what was happening in the lead-up to the lockouts.

The Hon. BEN FRANKLIN: This may be blindingly self-apparent, but I will ask it nonetheless: Every year it does seem to jump up and down and it seems to be down in winter and up in summer, and I presume that is because more people are out and about?

Ms FITZGERALD: Yes, absolutely. Part of this is actually the relationship between alcohol and violence. We know that in summer more people are out. We have daylight saving and longer recreation hours. We have warmer temperatures. It is more appealing to be out. Holidays, Christmas, festivals, those kinds of things. So it is a common pattern that we will see an increase in violence around the summer months and a decrease in winter, with the exception of places like the Snowy Mountains, actually.

Mr KEVIN CONOLLY: Which would be reasonable. Yes.

Ms FITZGERALD: Yes. So that is a very commonly recognised phenomenon.

Ms CATE FAEHRMANN: I might need you to talk me through these statistics a little bit. That is what you are here for.

The CHAIR: I am glad you asked. I was too scared.

Ms CATE FAEHRMANN: Because Ben, again, asked something that I was looking at as well. In your response, when I look at the table on page—so I am looking at this—

Ms FITZGERALD: The questions? The response to the Committee's questions?

Ms CATE FAEHRMANN: Is that what it is?

Ms FITZGERALD: Yes. That is what it is.

Ms CATE FAEHRMANN: Right. I was wondering where it came from. Excellent.

The Hon. BEN FRANKLIN: It came from us.

Ms CATE FAEHRMANN: Good. So the second page says, say, for example, we are particularly interested in whether assault has decreased across the State and in other parts and in the rest of New South Wales it says alcohol-related violence in 2012 to 2013 was higher. Then it looks like it is decreasing all the way though to 2018-2019 and then in not alcohol-related violence, there is actually a slight increase. And then you can look at that in the proximate displacement area as well. Not alcohol-related violence has increased. So why—is the rest of New South Wales—that does not make up for what you are saying is actually a statewide—

Ms FITZGERALD: Okay.

Ms CATE FAEHRMANN: Yes. Please give me—

Ms FITZGERALD: I can.

Ms CATE FAEHRMANN: Be more eloquent than I just was.

Ms FITZGERALD: So in our table we have kind of responded to the Committee's questions and presented the data in this way so that the baseline, really, the implementation of the lockouts is kind of here. So we are actually finding stability from 2014 onwards. You can see, if you look at the rest of New South Wales, it is about 28,845 in April 2014 to 2015. And then it is stable since then. So in the most recent year, about 28,775. So those two left-hand side columns are kind of prior to the lockouts. And I might just show the Committee—this is a figure from the report that you also have.

Sorry to hold up a piece of paper. It is a bit antiquated. So this is the trend in assault in the rest of New South Wales. You can see that it was decreasing. On this dotted line is the lockouts. You can see that it was decreasing up until around the lockouts, and then it stabilised. So we are not suggesting, of course, that the lockouts caused a stability of the pattern across New South Wales, but it is clear that there was a downward trend prior to 2014. There are a few reasons why we think that occurred. There is evidence that some of the licensing enforcement that was implemented in the years preceding the lockouts has been beneficial. So the violent venues initiative when if venues have more than, I think it is 18 assaults in a year, they need to—

The Hon. JOHN GRAHAM: So focusing on the most likely to—

Ms FITZGERALD: Yeah. They are subject to greater restrictions. So that initiative and a few others came in in 2008, and past research has shown that those did actually lead to a decrease in assault. I am not saying that is the only thing that was at play there, but certainly the takeaway here is that we were seeing a decrease, but it has actually been reasonably stable since then. So we tend to look at the rest of New South Wales to get to the member over there's point of looking at the general context of assault. So we do not want to look just at the lockouts without looking at what was happening in the rest of New South Wales, but that does seem to be the pattern there.

Ms CATE FAEHRMANN: Just one follow-up on that.

Ms FITZGERALD: Of course.

Ms CATE FAEHRMANN: So therefore the data also might be indicating that assaults in Kings Cross may have decreased regardless of that lockout, if you look at the rest of the data. For example, given the rest of New South Wales in 2014 stabilised without the lockouts—and I know there is more of a decrease with Kings Cross but given everything else that was happening, including what people have talked about before this committee such as changing drinking culture and a lot of different things—we may be seeing this anyway in terms of Kings Cross?

Ms FITZGERALD: Here is the result. When we have done our analyses, we look at—this is the Kings Cross result. So this is just a map of incidents of assault in Kings Cross. So does this work if I hold up this piece of paper?

The Hon. BEN FRANKLIN: Yes.

Mr KEVIN CONOLLY: It is fine.

The Hon. JOHN GRAHAM: We have actually got it as well. Yes.

Ms FITZGERALD: It is in the document as well, it is, is it not? It is figure 2. But this is probably larger, actually, than in your copies. So we look for what going on before the lockouts. And you are absolutely right; we detect a downward trend in Kings Cross. We looked to see whether there was a step change here at the time of the lockouts, and then we look to see whether the slope changes. So we look for the step change and we look for the slope change. Now, in Kings Cross—you are absolutely right—we do not find a slope change. We just find this step change. So there was kind of an immediate drop in the number of assaults. And we find that that downward pattern is continuing. So I guess we are still seeing the benefit of that step into the future in terms of the reduction. So we are seeing a reduction of about that volume over the course of the follow-up period, but it was that level change that was the big driver. So if things had just continued as they were, we would expect that, I guess, we would be looking at something like that. Does that make sense?

Ms CATE FAEHRMANN: And then combined with the increase—just one more question.

Ms FITZGERALD: Yes.

Ms CATE FAEHRMANN: And combined with the increase in the proximal and distal displacement areas—is that what they are?

Ms FITZGERALD: Yes.

Ms CATE FAEHRMANN: How much does that balance that out?

Ms FITZGERALD: How much is the benefit?

Ms CATE FAEHRMANN: Yes.

Ms FITZGERALD: So the benefit is—we are finding it is decreasing over time. I am just going to quickly show you the CBD. The CBD is a little bit different again. Sorry.

The Hon. BEN FRANKLIN: It is figure three, for those who are following along.

Ms CATE FAEHRMANN: Good on you, Ben. He is on fire for 5 o'clock.

The Hon. BEN FRANKLIN: For those playing at home.

Ms FITZGERALD: That was handy for me as well. So figure 3 is the CBD. As with Kings Cross, we were seeing a downward trend prior to the lockouts. We again saw a step change, but this time we actually saw a change in the level. So assaults stabilised in the CBD following the lockouts. So we are not finding the ongoing benefits of the lockouts into the future because our method says that we probably would have arrived at this current point a couple of years ago. So the CBD does not—using our analytic method, it is not continuing to deliver a benefit in the CBD, because the main impact was in that period immediately after. So going back to the proximal—

Ms CATE FAEHRMANN: Because it is not per capita, is it? As in it is not—

Ms FITZGERALD: It is not. It is the absolute number of assaults.

Ms CATE FAEHRMANN: You think less people around on the streets?

Ms FITZGERALD: So back to the point about the displacement, which we are seeing an increase or we are reporting an increase in the displacement. And that is growing over time. So that is gradually increasing, the further we get on from the lockouts. So the overall benefit is decreasing over time, as the assaults seem to be increasing in the displacement sites. And we are no longer detecting a benefit in the CBD, although we did in the early period. Kings Cross is still a strong reduction, but the volume of assaults in the CBD is larger. In absolute values, it is larger than in Kings Cross. So it does seem that there is a tipping point at some point where the number of assaults in the displacement sites is offsetting the benefit in the precincts.

The Hon. JOHN GRAHAM: Yes. And just to return to that point, because I think it is a really good question, you have given us the combined precincts, but if you could give us a figure probably on notice for that combined precincts and the other areas, that would be useful.

Ms FITZGERALD: Yes. It actually is in the report. Page—

Ms CATE FAEHRMANN: Ben can tell you which page it is.

Ms FITZGERALD: I do not expect you to read it now. I will just talk to the figures. It is on page 4. Page 4 looks at that absolute benefit. And over the five years, we are saying that the lockouts have prevented 400 incidents. When we did this analysis last, in 2017, we actually said that the lockouts had prevented 600 incidents.

So you can see that the benefit of the intervention is tapering off over time. So if you measured it at 32 months, we were seeing a decrease of 600 incidents. And now over time with the increase in the displacement sites, we are saying it is 400. So that tells a message that, I guess, the decrease on this hand and the increase on this hand are starting to offset.

Mr KEVIN CONOLLY: Would a small part of that be population increase over time? Is there that sort of factor at work as well?

Ms FITZGERALD: In regard to the displacement sites, a lot of different things could be happening there. In fact, even in the precinct site. We are now five years on from the intervention. We are not in a vacuum; other things have happened in that time. I do not think any of us can be confident that we are measuring purely the impact of the lockouts at this five-year point, because anything can be happening. As you said, populations could have increased in those displacement sites that—

Mr KEVIN CONOLLY: Well, in all of the sites.

Ms FITZGERALD: In all of the sites, potentially. As some of the members have said, we have seen a stabilisation of assaults in New South Wales. There could be local factors at play in the displacement sites. So we are really looking at it through a lens of the lockouts. But I would not want to attribute all of that increase in the displacement sites—we absolutely are not certain that all of the increase in the displacement sites is due to the lockouts. That is not the case. But just for the purposes of our analysis, because we are looking through a lockout lens, that is what we have done. But we cannot really attribute all of that change to the lockouts entirely.

The Hon. JOHN GRAHAM: This is a very useful update because obviously we are getting wildly competing statistics, often just not directly comparable. So the BOCSAR work previously has been really important. This is a really helpful update. A couple of questions: so this now incorporates the Sydney University view that we had—

Ms FITZGERALD: Absolutely.

The Hon. JOHN GRAHAM: —and you have been talking about directly. They were quite complementary about the way BOCSAR had been engaged with this issue, but that is all built into this now?

Ms FITZGERALD: Absolutely. We have acknowledged their concerns and reclassified our data so that that shared border, we are just considering that entirely in the Kings Cross location. And no double counting. Absolutely.

Mr KEVIN CONOLLY: The base methodology has been to look at non-domestic violent assaults.

Ms FITZGERALD: That is right.

Mr KEVIN CONOLLY: Is that the right indicator or are there any other indicators we should be looking at?

Ms FITZGERALD: So other indicators would be, I guess, less serious crimes. We cannot look at things like murder because they are just too infrequent. So I guess we have two options. We can look at very serious assault offences; we can restrict it to grievous bodily harm and actual bodily harm. Unfortunately, they are infrequent. So we lose statistical power there. The other way to go is to look at less serious offences. We can look at things like offensive language, offensive behaviour, malicious damage, public-order-type offences, but those are, in my view, a little bit more subjective. So then we run into the problem of changes in perceptions, changes in accounting rules, changes in police effort in—

Mr KEVIN CONOLLY: Right. So the linkage is not as strong?

Ms FITZGERALD: I do not think it is as strong. I think there is a common understanding of what constitutes an assault. It is recognised as a priority for police, the offence of assault. And those other less serious offences, I just think you would have to caveat quite strongly that there could be a difference in prioritisation over time or just policing effort or—and we would like to be able to purely measure the harm. Even as it is, we are obviously only looking at reported assaults, and that is about half of assaults. So we are missing a bunch there, but I am reasonably confident that non-domestic assault is a good measure.

Mr KEVIN CONOLLY: That it is the right thing?

Ms FITZGERALD: Yes.

The Hon. JOHN GRAHAM: And this is the first time I have seen BOCSAR put a direct reference into the footfall. Just some early arguments about the footfall going on in the precinct. So this clearly shows incidents dropping in Kings Cross, but then the argument from the BOCSAR data has been, well, what is causing that? Is

it just that there are far fewer people going there? So you are now saying it has dropped by 53 per cent, the number of assaults. But we have been—we have an argument going on about whether there are 80 per cent fewer people coming or 42 to 49 per cent fewer people coming or some smaller figure.

Ms FITZGERALD: Yes.

The Hon. JOHN GRAHAM: This is the first time I have seen BOCSAR say, "Well, we know there are fewer people coming." You do not really say how many fewer.

Ms FITZGERALD: No.

The Hon. JOHN GRAHAM: But if you have any observations about that secondary question that sits behind this—

Ms FITZGERALD: I think if your question is about the individual risk for people in the—because the reduction in assault is greater or smaller than the reduction in population; is that right? Or is it more about the population—

The Hon. JOHN GRAHAM: No, I am just saying if the reason why assaults have halved is not because of the law—

Ms FITZGERALD: People are not going there?

The Hon. JOHN GRAHAM: —but because there are less than half the people there, actually—well, if 80 per cent fewer people are going and assaults have only halved, actually this is a more violent place. So—

Mr KEVIN CONOLLY: But in the end, if we have fewer assaults of people, that is still a gain.

Ms FITZGERALD: I agree with that.

Mr KEVIN CONOLLY: There are fewer people injured.

The Hon. JOHN GRAHAM: Yes. But it is a clue to where the violence might go. And that is, for the first time, showing up.

Mr KEVIN CONOLLY: Yes, but collectively, globally, if we have got fewer people injured, the fact that some people have moved around is still not a bad thing in that sense, if the goal was to keep people intact.

The Hon. JOHN GRAHAM: Yes. And it is really the clue as to—I am trying to get a clue as to what is—as in your question at the start of the day. What is driving this? Is it the law? Is it the fewer people? We are trying to untangle it.

Mr KEVIN CONOLLY: Which bit of the law is more my question, because we have a whole suite of measures, and not all of them were produced at exactly the same time. It makes it hard.

Ms FITZGERALD: On that, I agree with the member about the absolute reduction in assaults. So there has been an absolute reduction in assaults. So that is a benefit, obviously, in terms of community safety. On the issue of the mechanism, whether it is fewer visitors or a change in behaviour within the locations—people are still attending but maybe they are going home earlier and that kind of thing—we can glean some of that information from that time of day data that the Committee sensibly asked for, which is actually a massive table. This is on page 3. I can summarise this, but you can follow on the hand-out. The reductions in Kings Cross are across all time periods. So we are seeing decreases in the daytime. We are seeing decreases in the night-time. We are seeing decreases all around the 24-hour clock. That suggests that there are fewer people in the Kings Cross location.

Whereas in the Sydney CBD, it is different. The decrease tends to be in the night. So more in those times when the lockout is actually relevant. This is obviously not the most scientific way, to just eyeball the figures, but there does seem to be something in that, that the mechanism is not necessarily the same between Kings Cross and the Sydney CBD. Sydney CBD has many more assaults that are not alcohol-related than Kings Cross, and you can see that in that other table which the Committee sensibly asked for, which has the alcohol-related split. So the character of assaults is different in those two locations. But it does suggest to me that we are looking at fewer visitors altogether in Kings Cross, but possibly the mechanism is not quite the same in the Sydney CBD. It still is possible that we have only had an impact because those alcohol related incidents in the Sydney CBD are the ones that are impacted and the rest just stayed the same.

Mr KEVIN CONOLLY: Can I ask a follow-up question into what you said?

Ms FITZGERALD: Yes.

Mr KEVIN CONOLLY: Those graphs that you were showing us, were they all non-domestic assaults?

Ms FITZGERALD: They are.

Mr KEVIN CONOLLY: Not just alcohol-related ones?

Ms FITZGERALD: No, we always look at all. I guess we are not entirely confident that all alcohol-related assaults would be coded as alcohol-related.

Mr KEVIN CONOLLY: There may be that caveat, but that number you were just talking about in Sydney's CBD, then, might be a bit more dramatic when you are just looking at alcohol-related assaults.

Ms FITZGERALD: Yes. Possibly.

Mr KEVIN CONOLLY: That is what that table seemed to be saying, because it was the night-time hours when the lockout laws were relevant.

Ms FITZGERALD: That would make sense, yes.

Mr KEVIN CONOLLY: So in fact the graph may be a bit more supportive of the measures?

The Hon. JOHN GRAHAM: So, noting your caveat that you would be less comfortable with it, would it be possible to get that information graphed?

Ms FITZGERALD: Yes, graph the non-alcohol? Yes.

Mr KEVIN CONOLLY: The alcohol-related.

Ms FITZGERALD: The alcohol-related? Absolutely. Definitely.

The Hon. JOHN GRAHAM: The alcohol-related. Let's get that.

Ms FITZGERALD: Definitely we could do that. Yes.

Mr KEVIN CONOLLY: Given that there is a much bigger base in Sydney CBD, and I am looking at Sydney CBD and there are clearly a lot that are during the day or at hours that have nothing to do with this.

Ms FITZGERALD: Certainly. That is right. And that is the nature of assault in the CBD, that it is more diverse than just that high-intensity alcohol-related violence. So it has got a wider range. Yes, we can absolutely do that quite easily.

Ms CATE FAEHRMANN: Can I just take a slightly different tack? I just wanted to check on where—in terms of to reassure the Committee that the violence is not being displaced to the home, for example. So non-domestic assault. Does that include—what about things like house parties?

Ms FITZGERALD: It does.

Ms CATE FAEHRMANN: It includes that?

Ms FITZGERALD: The defining characteristic of a domestic assault is that the victim and the offender have a domestic relationship. So they could actually be housemates but if it is a visitor to the house, it is non-domestic. So we have got your intimate partner as well as familial assaults in the main.

Ms CATE FAEHRMANN: Okay. So this includes house parties if alcohol was—

Ms FITZGERALD: It does. Yes.

Ms CATE FAEHRMANN: So in relation to domestic assaults, then, within these areas that we are looking at, what has the trend been?

Ms FITZGERALD: I cannot tell you off the top of—

Ms CATE FAEHRMANN: Could you take that on notice, then?

Ms FITZGERALD: Yes, absolutely.

Ms CATE FAEHRMANN: Thank you.

The CHAIR: Any other questions?

Ms CATE FAEHRMANN: Can I just clarify—alcohol-related as well as non-alcohol-related, in terms of that domestic assault.

Ms FITZGERALD: Sure. Yes.

Ms CATE FAEHRMANN: Times would be really great as well. But wouldn't they? No, if people are—

Mr KEVIN CONOLLY: We are trying to drill down and work out what is working, so yes.

Ms CATE FAEHRMANN: That is the whole point. If they are increasing at 2.00 a.m. then—

Ms FITZGERALD: No, it all links to what is happening. Yes.

The CHAIR: Thank you for appearing before the Committee today.

Ms FITZGERALD: No problem.

The CHAIR: We may wish to send you further written questions, the replies to which will form part of your evidence today. Would you be willing to accept further questions from the Committee?

Ms FITZGERALD: Yes, of course.

The CHAIR: We really appreciate your attendance today and your excellent submission and responses to our questions. Thank you, and thank you for your assistance to the Committee as we undertake our work.

Ms FITZGERALD: No problem.

The CHAIR: That concludes our public hearing today. I would like to place on record my thanks to all witnesses who appeared today, to the Committee members—those who have stayed to the end—and in particular to the Committee staff and to our wonderful Hansard staff also for their great assistance throughout the day. Thank you so much.

(The witness withdrew.)

The Committee adjourned at 17:12.