

**Submission
No 252**

**INQUIRY INTO THE MUSIC AND ARTS ECONOMY IN
NEW SOUTH WALES**

Organisation: Sydney Small Bars

Date received: 28 February 2018

To: The Honorable Paul Green, MLC, Chair
Re: Submission to the inquiry into the music and arts economy in New South Wales

28 February 2018

Dear Mr Green

We the undersigned represent 23 bars and restaurants (typically referred to as small bars) in the Sydney area.

We support a safe, diverse and vibrant music and arts culture across New South Wales. This is of utmost importance to us because as small bars, our offering is relatively limited and is designed to be consumed primarily as part of a wider entertainment experience. For example, before or after a live music performance, a meal out, or a theatre show.

This is distinct from pubs and clubs who due to their size, scale and diversity of offer, are able to offer a standalone entertainment offer.

Suffice to say that without a vibrant music and arts culture, our businesses are under major threat.

Changes following the Callinan review

The main change directly relevant to our businesses, was the change to the small bar license to allow trading through to 2AM, and an increase from 60 – 100 patrons.

This has had minimal impact as many of the venues of the undersigned:

- a) do not trade, and in the absence of a vibrant nightlife scene do not wish to trade through to 2AM as it would not be economically viable;
- b) are otherwise restricted by other regulations from increasing our capacity to 100 (this might be a DA restriction for example); or
- c) would have to change from an existing hotel, general bar or restaurant with a PSA but with a capacity greater than 100 thereby foregoing substantial trade earlier in the evening.

Item (c) above means that many of us have not elected to take up the change of license to small bar, which means we are still unable to serve neat spirits (such as single malt whisky) or unlisted cocktails after midnight, due to the application of the liquor freeze.

Further, the real impact of lockout has been to severely reduce footfall to the CBD, Oxford St and Kings Cross precinct. Callinan's recommendations regarding live entertainment have not resulted in any return of pre-lockout trade to the affected areas.

The result is that the way that Sydney audiences thinks about going out has fundamentally shifted away from these zones, to other areas like Newtown and Barangaroo. Much like spraying Roundup indiscriminately on a garden, flowering plants have been destroyed along with the weeds.

Numerous small bars have closed. Those that remain, struggle to achieve ongoing profitability and long term sustainability.

Footfall to lockout precincts has not, and will not return, unless:

1. there is an holistic approach across multiple government agencies including police, planning, health and transport is co-ordinated;
2. lifting of the liquor freeze; and
3. the government meaningfully stimulates the music and arts culture that has been adversely impacted, in these precincts.

Regulatory and policing regime

Policing

While we understand and support the police objective of public safety, our interaction with police is characterised by:

- a) a one size fits all approach to licensed venues. There seems to be little comprehension that a 60 person sit down table service cocktail bar, is a very different proposition to a nightclub or large pub environment. The security requirements for the former are entirely different to that required for the latter;
- b) inconsistent standards and protocols across LACs and individual officers. For example, the 1 guard to 100 patrons rule is not to the understanding of the writers, codified anywhere. It is a "generally accepted standard". While that might be appropriate to large scale night clubs or pubs, it is not applicable to the nature of the venues run by the undersigned; and
- c) a police culture that is opposed to any relaxation in levels of security or hours of operation. Nightlife in Sydney's traditional entertainment precincts has changed. Oxford St has fundamentally changed, but the manner of its policing has not.

The writers would like to note that overall both they and many of the police officers they deal with, work hard to establish respectful and productive relationships that prioritise patron safety. The frustration is that the situation could be markedly improved if policing at all levels (ie. beyond the street) had better familiarity with, and recognised as different, the nature of 'small bars' (whether trading under that license type or otherwise) and their place in Sydney's night-time ecology.

One signatory to this submission notes:

"Newtown Police are by far more favourable than others I have dealt with, but even they directly told us that their approach to all liquor applications is to oppose. They see the solution to any problem as reducing or limiting the number of venues, regardless of what kind of venue it may be, or what your trading history may be."

Regulation and approvals

Meanwhile the current regime between council and state for the necessary approvals to open or change our terms of operation should we choose is complicated and burdensome in the context of a small business.

One signatory to this submission notes:

"Changes to small bar trading hours and capacity essentially remain out of reach for many, as you are fighting an uphill battle to access these improvements, either in terms of time or money or

both. It's beyond frustrating to see a venue that's at capacity have to kick everyone out at 12, only to see them walk into the pub next door which is open until 3 or 4".

If responsible Sydney venues are unable to thrive under these regulations, skilled operators and the tourism dollars that they draw in will relocate to other cities, like Melbourne, that has embraced a more mature approach to after-hours entertainment.

Creative community

Hospitality work has for a long time been a source of additional income for musicians, artists and actors. Money earned from our sector helps support the livelihood of the creative community in the pursuit of their passions.

We are now in a vicious cycle. The decrease of live music venues and creative outlets means less work for artists. Closure of bars and restaurants (or shortening of available working hours) means there is less income to be derived from hospitality than was previously the case.

There are many of our community who have left Sydney and gone to other cities or overseas since the lock-outs came into effect.

Recommendations

1. We recognise that there are many interests that need to be balanced but would suggest that ministerial oversight at State Government level be assigned, much like trends in Europe. This person would be able to look out for the interests of the wider night-time economy and ensure communication and coordination between state government, local area councils, police, health, planning and transport.
2. We also recommend that the Liquor Freeze be thawed to allow operators with a proven track record to be allowed to apply for new licenses, or lift restrictions on existing ones.

Signatories

Each and all of the undersigned would be willing to elaborate in person should they be called to give evidence.

- **Luke Ashton**, Owner, [This Must be the Place](#)
- **Pasan Wijesena**, Owner, [Earl's Juke Joint](#) and [Jacobys](#)
- **Warren Burns + James Bradey**, Directors, 8 Hospitality ([Grandma's Bar](#), [The Wild Rover](#), [Wilhelmina's Liquid + Larder](#), [Burgerhood](#))
- **Karl Schlothauer**, Board Member, Small Bars Association, CEO House of Pocket ([Stitch Bar](#), [Pocket Bar](#) (Darlinghurst + Terrigal), [Button Bar](#), [Crooked Tailor](#))
- **Charlie Lehmann**, Owner, [Ramblin' Rascal](#)
- **Mikey Enright**, Director, Barrelhouse Group ([The Barbershop](#) and the [Duke of Clarence](#))
- **Lewis Jaffrey**, Director, [Big Poppas](#)
- **Lara Dignam**, Owner, [Papa Gedes Bar](#)
- **Tim Philips-Johansson**, Co-Owner, [Bulletin Place](#) and [Dead Ringer](#)
- **Michael Chiem**, Owner, [PS 40](#)
- **Stuart Morrow**, General Manager, [The Baxter Inn](#)
- **Andres Walters**, Director, Old Mates and [barGEEK](#)

- **Harriet Leigh**, Licensee and Head of Hospitality, [Archie Rose Distilling Co](#)
- **Amanda Baxter, Georgia Woodyard, Anne Cooper and Matthew Turk**, Co-owners, [Bart Jr](#)