Submission to the Law, Justice and Safety Committee – Inquiry into Alcohol-Related Violence in Queensland

October 2009

Prepared by:

ALH Group Limited Ground Floor, 16-20 Claremont Street South Yarra VIC 3141

Introduction

ALH Group (ALH) welcomes the Law, Justice and Safety Committee Inquiry into Alcohol-Related Violence in Queensland. We consider that the inquiry represents a significant opportunity for the Queensland Government to focus on the introduction of proven measures that lead to a more responsible drinking culture and a greater level of personal accountability for people who engage in unacceptable behaviour as a result of excessive alcohol consumption, drug use or both.

ALH believes that individuals have the right to choose to consume alcohol in licensed venues as a form of social activity. As the operator of these venues, we have a responsibility to help minimise the risk of harm to individuals, our staff, other customers, and to the wider community.

ALH is represented on both the Executive of the Queensland State (QHA) and National Executive of the hotel industry peak body, the Australian Hotels Association (AHA)

About ALH Group

ALH has 284 licensed venues and more than 450 retail liquor outlets across Australia. In Queensland we operate 104 hotels. We also operate venues across Victoria, New South Wales, South Australia, Tasmania and Western Australia.

ALH offers a diverse array of hospitality services, including bistros, bars and restaurants, cafes, gambling products, sports bars, accommodation and night clubs.

ALH employs almost 13,000 people across Australia, including full time, part time and casual employees across our venues. In Queensland ALH employs over 5,500 staff. ALH is jointly owned between Woolworths Limited (75%) and the Mathieson family (25%).

Executive summary

- ALH welcomes the future introduction of proven measures that will reduce the prevalence of alcohol-related violence in Queensland and Australia.
- A formal, structured framework for alcohol policy is needed to ensure regulators and government consider the policy objectives, alternative ways to achieve those objectives, and consider the social costs and benefits of each proposed policy measure. The hotel industry has been significantly financially impacted by recent changes in Queensland legislation including a change in opening hours restricting hotels from opening until 10am and a new licence fee structure that targeted late opening venues. These changes occurred without any industry consultation or were research based.
- Proposed policy measures to combat alcohol-related violence should be supported by robust scientifically-based evidence and research. Anecdotal evidence or prima facie cases are insufficient to support the introduction of policy measures.
- Industry participants are a critical contributor in assisting with measures that may reduce alcohol-related violence. Traditional venues such as hotels are often in the best position to help formulate, implement and review policy measures. ALH has developed its own programs and procedures to encourage responsible alcohol consumption and is an active participant in local liquor accords and State Government working groups.

Alcohol consumption and policy

Introduction

The hotel industry has been under increasing media scrutiny and subsequent public interest over the past few months in relation to alcohol-related violence. Much of the media has been poorly researched, hype driven and inaccurate. We are greatly concerned that this level of scrutiny is driving government policy without any industry consultation. ALH is firmly of the view that there is no "silver bullet" solution to minimising alcohol related violence but welcome proven initiatives that will further encourage responsible alcohol consumption.

Alcohol consumption and recreational drug use

Introduction

Alcohol consumption

Australians today consume 20.8% less alcohol per capita than they did 20 years ago. Today more than 70% of liquor consumption in Australia is not at licensed venues¹

This means over 70% of liquor is consumed in unregulated environments. These unregulated environments include private residences, at private functions held in backyards, flats or public places such as street parties etc. Unlike end of year teenage celebrations at friends' houses, on beaches, in parks, holiday shacks or simply in the street, alcohol consumed in hotels is heavily regulated. Licensed venues have the advantage of specially trained staff in the responsible service of alcohol (RSA).

Illicit drug use

ALH are concerned that many incidents of violence that occur involve people who are under the influence of recreational drugs or a combination of recreational drugs and alcohol. For Australians aged 14 years and older, the proportion that had recently used an illicit drug was over 13%. The latest published National research reported illicit drug use was most prevalent among persons aged between 18 and 29 years (2004). Approximately one in eight people aged 20 - 29 recently used ecstasy, and around one in 10 people used meth / amphetamines in the last 12 months.²

The Queensland Police Service in their 2007 - 2008 Annual Statistical Review has a general non specific drug type offence chart that only measures offences to end of FY 06/07. The most recent data in Australia on illicit drug use is from New South Wales. Recorded crime statistics showed that violent assaults both domestic and non domestic and liquor offences remained stable as an annual percentage change over the last 24 months. However drug related offences increased significantly for example³: Possession and/or use of Cocaine + 27%, Narcotics + 18% and Ecstasy + 54%

ALH would like to have clear and formalised reporting of police data as well as statistics relating to hotel activities and their relationship with incidents.

¹ ABS, 12.48 litres per person 1982/83 and 9.92 litres per person 2002/03, most recent figures available

² Statistics on drug use in Australia 2006, Australian Institute of Health and Welfare, Canberra, April 2007, AIHW cat. no PHE 80

³ Data trend measured over 24 months to end June 2009, NSW Recorded Crime Statistics, June Quarter 2009. NSW Bureau of Crime Statistics and Research

A more robust, evidence-based approach to alcohol policy making

Introduction

ALH is committed to the development and implementation of policy measures to minimise the level of alcohol-related violence. However, we are concerned that the current approach to policy making has lacked a robust policy framework. We support the introduction of a logical, disciplined framework within which new alcohol policy should be formulated and tested to ensure that only policy which provides a net social benefit is introduced into the Queensland liquor environment.

Regulatory impact statement approach

ALH proposes the adoption of a Regulatory Impact Statement (RIS) type framework to apply to the development and formulation of any substantive policy measures affecting the liquor industry, and particularly, addressing alcohol-related violence. This would ensure a more rigorous, formal approach to alcohol regulation.

For example, the Australian Government RIS has seven key elements, setting out:

- the problems or issues which give rise to the need for action;
- the desired objective(s);
- the options (regulatory and/or non-regulatory) that may constitute viable means for achieving the desired objective(s);
- an assessment of the impact (costs, benefits and, where relevant, levels of risk) on consumers, business, government and the community of each option;
- a consultation statement;
- a recommended option; and
- a strategy to implement and review the preferred option.⁴

A RIS-type framework for alcohol policy will ensure regulators and government consider the policy objectives, alternative ways to achieve those objectives and, critically, consider the social costs and benefits of the measure. It is important to assess the impact of alcohol-related violence policies on the majority of hotel customers who behave in a

⁴ Australian Government, Dept of Finance and Deregulation, Office of Best Practice Regulation, Australian Government RIS website, <u>www.tinance.gov.au</u>, 4 March 2009.

responsible manner and take this impact into account in policy making. This significant cost has largely been ignored in policy formulation. A formal mechanism for review of the policy option some time after implementation in order to assess its effectiveness is a key part of the RIS framework that is lacking in current alcohol policy.

The prompt introduction of a RIS-type approach is particularly important given the current State and Federal Government focus on alcohol-related violence, the link between alcohol and sport and licensed venue trading hours. Measures such as restricting trading hours impose a significant cost on industry participants and such measures should only be introduced where they can be shown to be justified on a RIS basis. The costs of policy must be integrated into policy making decision and policies only implemented where costs of doing so are outweighed by the benefits.

Evidence-based approach

The recent three-year review of the Queensland Liquor Act introduced major licensed trading reforms in January 2009, and included a comprehensive consideration of trading hours. ALH is concerned that there has not been enough evidence-based research, both prior to, and post implementation, to determine policy effectiveness. Despite this, the QLD government amended the Liquor Act 1992 to impose a moratorium on all applications for extended trading hours between 12 am and 5 am, effective 16 September 2009.

Evidence-based research into likely policy efficacy must be undertaken prior to any policy implementation. Already implemented policy measures should be reviewed and assessed as to their effectiveness in reducing the level of alcohol and drug related violence. Where policy effectiveness cannot be demonstrated based on robust evidence, measures should be abolished.

For example, the restriction of trading hours in licensed venues has been used to attempt to combat alcohol-related violence in Queensland. ALH have applied for extended trading hours in many of its Queensland hotels to meet customer demand. Based on our Queensland and national experience, in which many of our hotels trade until 5am, a well run hotel presents a very low risk of violence, even if it is trading under extended hours.

There must be robust, scientific evidence to support the introduction of such policy measures; otherwise, the policy simply ends up imposing costs on responsible hotel patrons whilst providing minimal or even negative benefits in terms of effective reduction in alcohol-related violence.

It is important to note that responsible drinking practices can also be industry-driven through a form of 'self-regulation'. Industry participants are often in the best position to assess and formulate effective policies to address issues occurring in their own businesses. Further, the initiatives can be fine-tuned post-implementation to ensure maximum effectiveness based on staff and customer feedback. This is particularly the case for traditional pub venues as they provide a physical interface between the customer and alcohol.

For example, ALH is very proactive in introducing any proven initiatives that will further encourage responsible alcohol consumption. This includes:

- ALH abiding by a strict buying charter that governs all aspects of our liquor operations. The charter includes principles that aim to avoid the sale of any products that appeal to minors and encourage inappropriate drinking practices.
- ALH does not promote any practice which may encourage rapid or excessive consumption of alcohol. ALH hotels do not run any "Happy hours".
- All frontline management and staff are trained in the Responsible Service of Alcohol.
- Free water available at all times

ALH are committed to a "safety first" approach and this includes:

- All our security providers must sign a code of conduct governing the way they are expected to perform their duties.
- We install and maintain the highest quality close circuit television (CCTV)

ALH positions its venues at the family and community level, they are frequently the hub of a local community - a meeting place for friends, family and social and community groups.

As a large-scale national operator of licensed venues we have a responsibility to demonstrate best practice in terms of our service of alcohol and set a positive example to our customers and to other licensees by complying with and, where appropriate, exceeding mandatory compliance regulations.

Finally, ALH considers itself an industry leader in participating in local liquor accords and State Government working groups to assist in identifying and developing appropriate responsible service of alcohol initiatives.

Evidence-based approach

Trading Hours

The recent three-year review of the Queensland Liquor Act introduced major licensed trading reforms in January 2009, and included a comprehensive consideration of trading hours. ALH is concerned that there has not been enough evidence-based research, both prior to, and post implementation, to determine policy effectiveness. Despite this, the QLD government amended the Liquor Act 1992 to impose a moratorium on all applications for extended trading hours between 12 am and 5 am, effective 16 September 2009.

ALH have applied for extended trading hours in many of its Queensland hotels to meet customer demand. Based on our national experience, in which many of our hotels trade until Sam, a well run hotel presents a very low risk of violence, even if it is trading under extended hours.

ALH held 16 objections conferences prior to the moratorium on all applications for extended trading hours between 12 am and 5 am.

- The average number of attendees at the conferences was only <u>3 people</u>
- The average number of community objections was <u>less than 5 per hotel</u> if the CBX Hotel in Caloundra, which received almost 60% of the total objections is discounted
- Only 4 of the 16 applications that have held objections conferences were supported by additional petitions with signatures.

Despite the level of media attention given to the applications for extended hotel trading hours the above statistics do not support the claim of wide spread community concern.

Polycarbonate / Tempered glass

ALH have introduced tempered glass at 20% of all its Queensland hotels over the past year. It is too early for us have any significant data for meaningful analysis of this change.

The provision of polycarbonate or tempered glass will not prevent potential significant injuries if a drinking container, or any other object i.e. an ashtray; cutlery, stools etc are used as weapons by an individual intent on causing bodily harm. Government's focus should be on education leading to a more responsible drinking culture and a greater level of personal accountability for people who engage in unacceptable behaviour as a result of excessive alcohol consumption, drug use or both. ALH support a community-wide campaign to foster cultural change in our attitude to alcohol and other drugs and violence.

Patron Conduct and Personal Responsibility

ALH believe penalties should be increased for disorderly behaviour in and around venues and an effective campaign to raise public awareness of individual responsibility. Not only should penalties be increased for individuals who are drunk, violent, disorderly or argumentative, they need to be enforced with on the spot fines to send a clear message that individuals must take responsibility for their actions. Many incidents occur at our hotel entrances when security staff refuses admission, in most cases based on intoxication. The outcome is often that the hotel is blamed for any incident that occurs and there is little personal responsibility placed on the individual.

Police / Transport

Some areas which may be of benefit in reducing the incidence of alcohol-related violence that could be considered are:

- Improved security and lighting around transport hubs
- Increasing numbers and visibility of police
- Government promotion of late night transportation options
- Improved taxi services including supervised taxi ranks in entertainment precincts.

Summary

ALH are concerned that any further regulations imposed on our hotels could:

- 1. Reduce employment at our hotels which will cost some of our employees their jobs or a reduction in hours employed.
- 2. Reduce potential employment opportunities at our hotels
- 3. Increased cost of all product offerings at our hotels i.e. beverages, food, accommodation etc

n increase in the price of beverages which could further increase off premise

consumption at private parties and gatherings in an unsupervised environment.

Along with all the other regulatory and business costs currently being imposed on hotels, financial stability and viability of the industry will be affected. A reduction in staff numbers and higher prices in hotels will become a reality. ALH invest considerably in Queensland and want to ensure sustainable employment and investment into the future.

Whilst ALH welcomes robust discussion around alcohol-related violence, it cautions any new regulatory measures should not impact the financial viability of well run pubs for which the majority of our customers enjoy the hospitality provided in a responsible manner.

ALH would welcome the opportunity to meet with the Law, Justice and Safety Committee to personally discuss the licensing environment in Queensland.

Submission Form - Inquiry Into Alcohol-Related violence in Queensland

Details	
Name:	David Curry
Company/Organisation*:	ALH Group Pty Ltd
Postal Address:	16 – 20 Claremont Street, South Yarra, Victoria 3141
Telephone:	
Email:	
	······································

I hereby confirm I am authorised to make comment on behalf of the above mentioned company

.