# Correcting the Sydney lockout myths

## Researcher

1. Foundation for Alcohol Research and Education

## Summary

In February 2014, the New South Wales (NSW) Government introduced a range of measures to reduce alcohol-related violence. This included the restriction of entry to new licensed premises (‘lockouts’) after 1:30am and the cessation of alcohol sales (‘last drinks’) at 3am in the newly established Kings Cross and Sydney CBD Entertainment Precincts.

Trading hour restrictions have been identified as one of the most effective policy interventions to reduce alcohol harm, including alcohol-related violence. Australian and international research demonstrates that for every additional hour of trading, there is a 16 to 20 per cent increase in assaults and, conversely, for every hour of reduced trading there is a 20 per cent reduction in assaults.

Since their introduction in 2014, there has been misrepresentation of information and propagation of myths in relation to the impact of the lockout and last drinks measures (the liquor law reforms). With an independent review of the measures currently underway, it is important that the facts are clearly established. For this reason, the present study uses newly available data with other sources of robust information to evaluate the impact of the liquor law reforms in Kings Cross.

## Outcomes

This study identifies a variety of claims in relation to the impact of the New South Wales liquor law reforms as either false or grossly exaggerated. In particular, evidence was found to suggest the following:

### Myth: "The lockouts have dramatically reduced pedestrian traffic in Kings Cross"

The facts:

* The average decline in foot traffic in Kings Cross between 5pm and 4am on Friday and Saturday nights was 19.4 per cent, and not the 80 per cent reported by some sources.
* Pedestrian traffic in the evenings before lockout (5pm to 1am) did not change significantly between 2012 and 2015.

### Myth: "A large number of businesses have closed as a result of the lockouts"

The facts:

* There were four fewer businesses trading at any point between 5pm and 4am on Friday and Saturday nights in Kings Cross, from 170 in 2012 to 166 in 2015. This is despite claims of 40 business closures resulting from the liquor law reforms.
* The number of pubs, taverns, bars and clubs trading during this time reduced from 30 in 2012 to 27 in 2015. This represents a net reduction of just three businesses.
* Over the same period, at least 70 new businesses have been observed across the region.

### Myth: "Land value has declined dramatically in the Kings Cross area"

* Between 2014 and 2015, there was a 15 per cent increase in mixed use property values in Woolloomooloo, Potts Point, Elizabeth Bay and Darlinghurst, and a 35 per cent increase in residential property values in The Bays and Potts Point.
* At the same time, commercial property values in the Potts Point Local Centre declined by 20 per cent.

### Myth: "The liquor law reforms have not been effective in reducing alcohol-related harm"

The facts:

* Following the introduction of liquor law reforms, non-domestic assaults during the lockout period on weekend nights reduced by 70.2 per cent in Kings Cross and 30.7 per cent in the Sydney CBD Entertainment Precinct. Non-domestic assaults reduced by 75.5 per cent following last drinks in Kings Cross and by 41.5 per cent in the Sydney CBD Entertainment Precinct.
* Between 2012 and 2015, there was a 76.6 per cent reduction in serious antisocial behaviour (physical and verbal fights and arguments, shouting and verbal abuse) in Kings Cross.
* There was also a 73.3 per cent reduction in the less serious antisocial behaviour (drunken behaviour including staggering, falling, loud music, urination, vomiting, street drinking, and vandalism) in Kings Cross.

### Myth: "The lockout and last drinks measures have displaced harm to other regions"

The facts:

* Assaults in surrounding and alternative entertainment precincts remained stable following the introduction of the liquor law reforms.

## Recommendations

This report aimed to investigate the veracity of several claims relating to the impact of the liquor law reforms introduced in New South Wales in 2014. Analysis of independently collected data from the City of Sydney clearly refutes suggestions that the reforms have adversely affected pedestrian traffic or business activity in the Kings Cross region between 2012 and 2015. In particular, pedestrian traffic was not found to have changed significantly in the hours preceding commencement of the lockout period. Consistent with policy intentions, reductions were observed during the lockout period and following last drinks. That the number of businesses operating on Friday and Saturday evenings decreased by only four businesses, from 170 in 2012 to 166 in 2015, is further evidence of the continued health of the local economy.

The report has also addressed misleading representations of land value statistics. Specifically, the modest reduction in some commercial property values was outweighed by strong increases in residential and mixed use property values. Accordingly, the report prepared by the NSW Valuer General described the impact on commercial properties as a minor reduction and forecast future growth across all zones and property uses.

Finally, fallacious claims that the liquor law reforms have led to a displacement of harm to surrounding regions have been rebutted using robust analyses of assault and injury data. In particular, no evidence was found for displacement of assaults to adjacent and alternative entertainment precincts. Additionally, observed reductions in alcohol-related injuries in locations closer to the precincts were not accompanied by increases in such injuries in neighbouring areas. Taken together, these results suggest that the liquor law reforms have been successful in curbing antisocial behaviour, while supporting a diverse range of business opportunities and a safe environment for patrons, tourists, and residents.

[view the report](https://fare.org.au/wp-content/uploads/Correcting-the-Sydney-lockout-myths-August-2016.pdf)

[view the media release](https://fare.org.au/lockout-myths-busted)