

LAP Submission 2013

Clinton Den Heyer

Quick CV

- 20 Years in Hospitality, NZ, Australia and Japan
- First bar manager for The Matterhorn, 2 years
- Director, Good Luck Limited, 12 years, licensed 4pm to 5am, plus licensed area in middle of Cuba Mall
- Director, The San Francisco Bath House, 7 years – has a 23 hour license 365 days per year
- HANZ Supreme Award, HANZ Best Venue Award
- Licensee La De Da Music Festival – 10,000 people, 2 days, around New Years Eve in the Wairarapa. Zero arrests festival history – praised by Wairarapa Police “the benchmark for how alcoholic events should be run in New Zealand”
- Licensee “Pure Pavillion” Trentham Racecourse – reduced arrests for intoxication from 60 to zero
- Member of Capital Host
- Committee member for Hospitality New Zealand
- Someone who has committed my life and career to hospitality

Topics I will cover

- Draft LAP - Lack of evidence in an “evidence based document”
- Preloading and lack of individual responsibility identified as key drivers of harm
- Disparity between On and Off Licenses
- Peak density issues – what does it look like?
- Increased On License compliance
- Compromised public rights by reduction of hours
- Alternative solutions

“Similarly, there are nationally and internationally recognized difficulties in establishing a direct causal relationship between alcohol consumption and alcohol related harm/social benefits to adequately model the impact of proposed changes.”

Wellington City Council, in an email response in regards to a request for a cost benefit analysis in regards to the WCC draft LAP, July 2013

Evidence was manipulated after the policy was conceived

Email from WCC to Police:

- Proposing management framework for licensing; that
- Distinguishes a central area (2am closing) and 3 entertainment precincts (5am closing)
- Premises seeking trade beyond 2am subject to conditions (best practice)
- “To justify these interventions, we need data”

Distorted Case Studies

The Newcastle report (2010) One Way Door Policies

-“...further research is required.. there is little or no evidence concerning their effectiveness.”

Liang & Chikritzhs (2011) Perth

-“Alcohol sales from Off-Site (Off-License) predicted violence occurring at On-Site outlets.”

Wellington Police Presentation (2013)

-The highest percentage of criminal activity is dishonesties (55%)

Homel & Clark (1994)

- $\frac{3}{4}$ of the incidents involving physical aggression were concentrated in less than $\frac{1}{5}$ of the sites. $\frac{2}{3}$ of the sites had no violent incidents at all.

Further misrepresented evidence

Police correspondence

-Submitted reports are now considered outdated

No differentiation between On and Off Licenses

-Before Liang & Chikritzhs study (2011)

Assaults overseas

-60% on licensed premises are recorded as verbal

KPMG Study Melbourne (2008)

- illicit drug use a factor in violent incidents

Police View



We need to balance the benefits of a night economy with the social and economic costs while continuing to reduce alcohol-related harm and change behaviour.

The decision to be made is how much harm you and the community wish to tolerate?

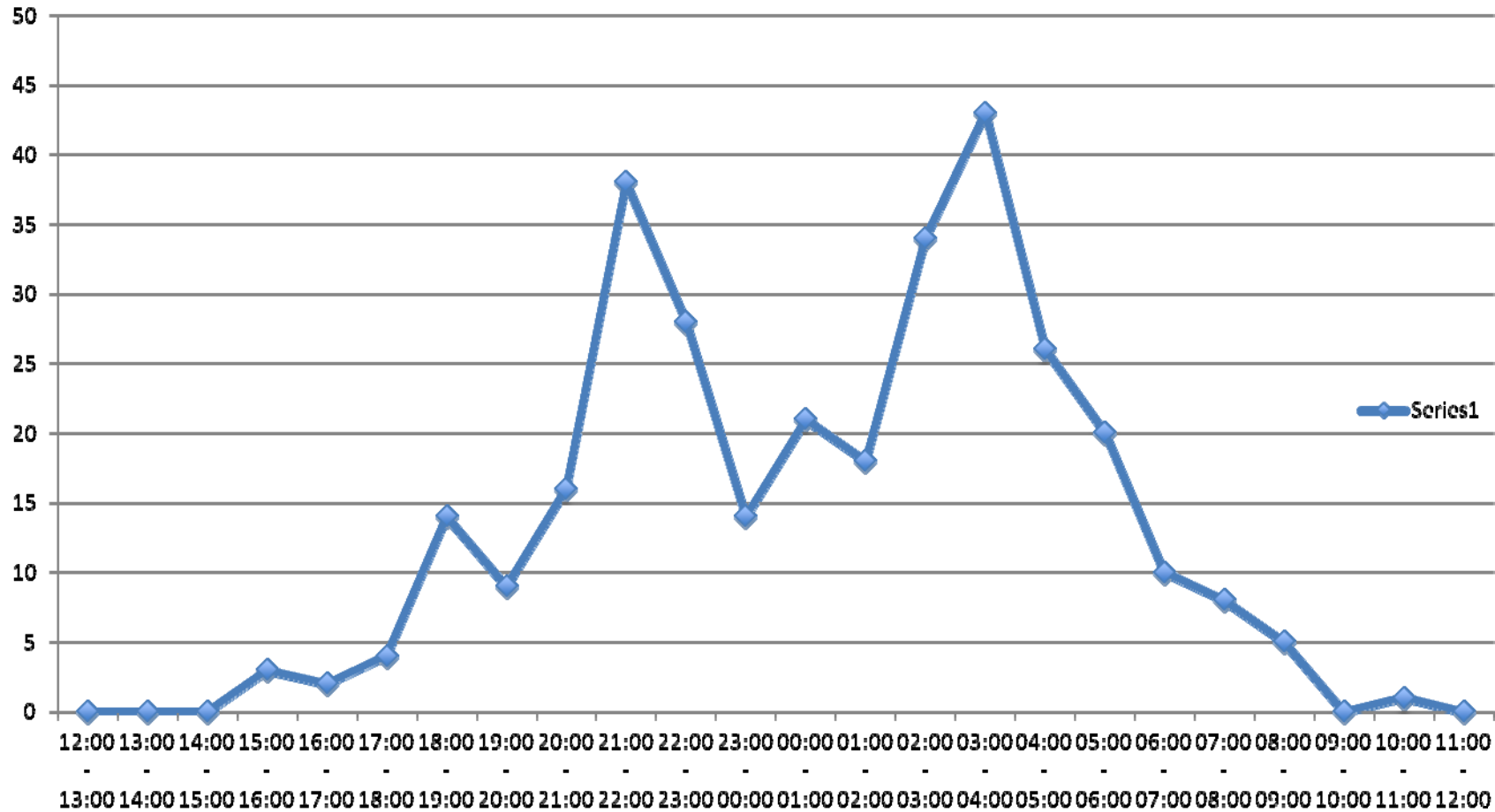
New Zealand research shows that the predicted rate of offences associated with closing later when compared to 12am or earlier is:

- **4.2 times** the expected rate of offences between **2.01am and 3am**
- **8.9 times** the expected rate of offences between **3.01am and 5am**

Police ALCOLink Data

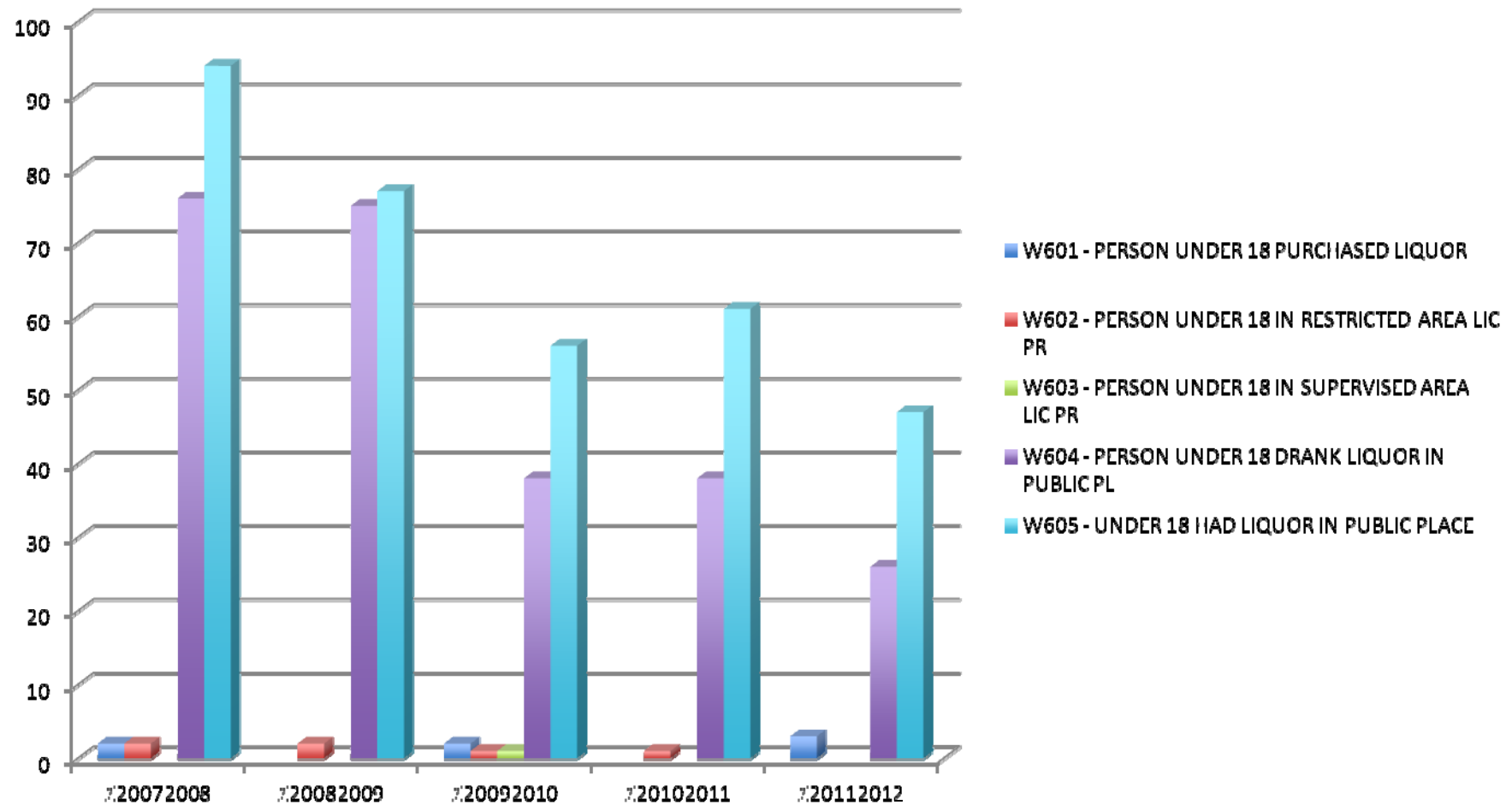
Top 10 Hot Licensed Premises 1/1/2010 to 31/12/2011

Top 4 Sites: Data Spike 9pm and 3am

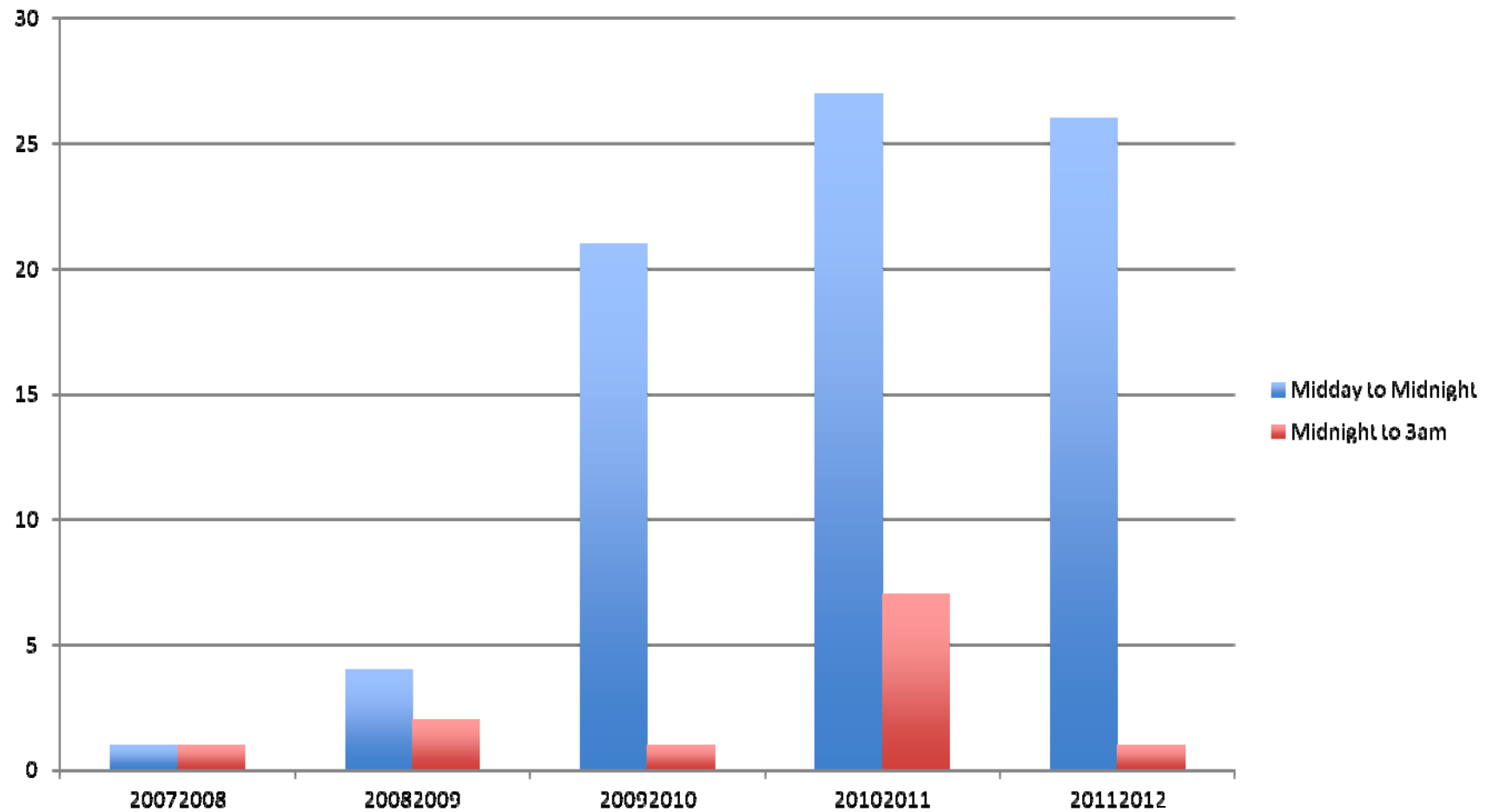


Under 18 Off License Offences vs On License Offences 2007 – 2012

(Offences involving minors and alcohol)



Times for On License SOLA Offences Wellington 2007 to 2012



The Public of Wellington
acknowledge that
preloading and a lack of **self
responsibility** are the main
drivers of alcohol related harm in
Wellington.

Preloading

- Lack of regulated minimum price of alcohol at Off License
- Off License competes through price
- Off License has become the default price setter for licensed market
- This is creating a market that is coming into town significantly later and considerably intoxicated

“Overall younger people are the most at risk for acute alcohol related harm because they tend to drink more alcohol and are less experienced with its effects.”

(COVEC report, Christchurch City Council, 2013.)

Focusing on individual responsibility could tackle majority of issues

- Compliance is aimed at businesses and licensed managers
- 75% of alcohol purchased and consumed in NZ is from Off License
- On License can never account for the vast majority of alcoholic harm in NZ
- Breaches of Liquor Ban offences:
- 962 for 2 years. Top 10 Licensed Premises Last Drink Surveys: 478
- Liquor Ban double number of Last Drink = Successful By-Law!

Disparity between On License and Off License

- **On License** contributes approximately \$700 million per annum to New Zealand's economy and employs approximately 12,500 people. (25% of the market)
- *Off License* generates approximately \$780 million per annum to New Zealand's economy and employs approximately 2000 people. (75% of the market)
- *Off License* enjoys \$80 million more trade than **On License**, and employs 80% less people.
- This illustrates the difference in pricing, compliance and profit

Disparity between On License and Off License offending

- Off Licensed Enforcements numbered 647. On License Enforcements numbered 666. In Wellington, there is 154 Off Licenses, and 498 On Licenses.
- Off License Enforcements outnumber On License Enforcements 3 to one, based on the density of outlets.
- “...there were a total of 2153 enforcements against licensees and manager certificates that in the financial years 2009/2010, 2010/2011, 2011/2012. Of these, 63% were associated with licensed premises. Thirty one per cent were associated with an on-licensed premises, 30% were associated with off-licensed premises...”

We have a **peak density and consumption issue**

- “Drunk home custody begins to increase at 8pm and peaks between 11pm and 1am. Forty per cent of calls for services related to drunk home custody occurs from Thursday to Sunday between 10pm and 5am”.
- “Alcohol related ED presentations increase steadily from 7pm to 11pm and then increase sharply at 11pm peaking at 1am to 2am. Thirty eight per cent of alcohol related ED presentations occur from Thursday to Sunday between 10pm and 5am”.
- “...the peak in alcohol related offences occur between 12am and 1am for the three financial years analyzed. Alcohol related offences grow consistently as the time of day gets later, and peaks between 12am and 1am”.
 - “Risk Based Licensing Report”, Ministry of Justice, December 2012

Peak Density On License: Wednesday Night 22:30pm



Peak Density On License: Wednesday Night 23:30pm



Good Luck 5



Good Luck 6



Good Luck 7



Good Luck 8

Peak Density On License: Wednesday Night 01:00am



Good Luck 5



Good Luck 6



Good Luck 7



Good Luck 8

Alcoholic harm occurs during peak consumption times

Westpac Stadium

- Majority of offences occur during the day

Central City areas

- Majority of offences occur around Midnight on weekends

Nightclubs

- Not enough nightclubs for the demand of the market.

- Queuing increases street issues

Closing nightclubs earlier does not solve the issue, it simply shifts it.

If we were to apply the same model to the Westpac Stadium, as we are on Wellington Central, the Westpac Stadium would have to close alcoholic service at 7pm in the evening.

Further increases to On License compliance

- To date, three pages of further compliance have been suggested for On License
- On License harm is the least recorded harm in NZ
- CCTV has not been proven to deter alcoholic harm or violence
- One way door policies **do not work**
- How do one way door policies mitigate mass dumping at close time?
- Less compliance would incentivize bars and reduce street issues

Draft LAP reduces the rights of the compliant majority to choose how and when to consume alcohol

- Reducing purchase hours is a prohibitionist measure
- The number of people who offend are minuscule compared to those who consume responsibly
- How many of you go to bed after finishing work at 4pm?
- I finish work at 6am, where can I go to unwind and socialize?
- There is a critical economy based around late night trade

There are more appropriate, less damaging solutions

- Drivers of alcoholic harm is relatively unstudied and much progressive evidence is required
- Wellington has unique advantages over the rest of NZ; we have capital host, we know everybody, communication is relatively fast, and we are progressive and innovative thinkers

Suggested Solutions

Preloading

- Regulate minimum price at point of sale

Individual responsibility

- Create a by-law to fine for public intoxication
- Utilize key aspects of successful anti smoking campaign (illustrate that it is unappealing to opposite sex)
- Utilize the success of the Liquor Ban

Peak density issues

- Reduce compliance to create more market supply

We have the opportunity to come up with benchmark solutions – to lead the way in reducing alcohol related harm while maintaining a vibrant night time economy

Communities solve crimes, not policies