



Foundation for Alcohol  
Research & Education

**Media Release**

## **RISK BASED LICENSING ASSOCIATED WITH DECLINE IN ALCOHOL HARMS**

**1 December 2013:** The first ever evaluation of risk-based licensing (RBL) in an Australian jurisdiction makes a strong case for the continuation and wider application of the licensing model.

Using Australian Federal Police Australian Capital Territory (ACT) Policing data, the study found that the introduction of risk based licensing in the ACT coincided with a 25 per cent reduction in alcohol-related offences in the two years since its introduction.

Risk-Based Licensing, whereby annual liquor licensing fees are calculated according to venue type, occupancy and trading hours, was introduced into the ACT in December 2010, amid growing concerns about increased alcohol-related violence and hospitalisations in the Territory.

The study by the Foundation for Alcohol Research and Education (FARE) and Centre for Excellence in Policing and Security is the first of its kind to evaluate the impact of risk-based licensing on alcohol-related offences and to also interview key stakeholders to obtain an assessment of how the model has worked in practice in the ACT.

FARE Chief Executive, Michael Thorn says the findings are a significant endorsement of risk based licensing.

“Risk-based licensing is a fairer licencing regime that makes liquor licensees more accountable for the alcohol harms they cause and helps to promote earlier intervention with alcohol harms. Implemented correctly, it is effective both in ensuring licensees pay according to the risks they contribute to, but also in providing an incentive to licensees to take ownership of the issue and work actively to better manage the safety of their patrons and their venues,” Mr Thorn said.

The study involved the analysis of data from the ACT Police Real Time Offence Monitoring Information System (PROMIS) between May and December from 2010 to 2012 together with interviews with police, licensees and regulators to assist in the interpretation of the data.

Data analysis found that risk-based licensing had coincided with declines in alcohol-related offences throughout the ACT, while almost all of those interviewed felt that the introduction of RBL had benefitted the ACT, with many citing additional police resources now available for prevention.

Significantly, the additional licencing fee has had no detrimental impact on the liquor licensing market with license regulators stating that there had been no significant change to the number of liquor licences in the ACT since its introduction.

The study comes as the NSW Government concludes its current review of the NSW Liquor Act, and follows the recent calls by the NSW Labor Opposition for the introduction of RBL in NSW.

Mr Thorn says the NSW Government should look to the ACT for leadership and answers in the development of a risk based licensing scheme in NSW.

“Risk-based licensing is not, by itself a complete solution to the alcohol harms currently ravaging NSW, but we do know that it is one important part of an effective and proven range of measures and the O’Farrell Government would do well to follow the successful lead of the ACT. It also goes part the way to contributing to the significant cost of alcohol-related harms on the community, with the direct cost to Government alone in NSW amounting to over 1 billion dollars,” Mr Thorn said.

The importance of implementing policies and programs in addition to risk-based licensing were highlighted in the study with many of those interviewed expressing concern that risk-based licensing does not take into account the number and density of licenses in particular areas of the ACT which are disproportionality impacted by alcohol-related incidents.

Michael Thorn says the findings simply reinforce the need for complete evidence-based solutions.

“The message for the NSW Government is if it is genuinely committed to protecting the people of NSW, it must have the courage to not simply strengthen liquor licensing fees, but also to wind back trading hours, tackle outlet density and remove the regulatory barriers that prevent local communities from engaging in liquor licencing processes,” Mr Thorn said.

**Michael Thorn is available for interview.**

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**Foundation for Alcohol Research and Education (FARE)** is an independent, charitable organisation working to prevent the harmful use of alcohol in Australia. Since 2001, FARE has invested over \$115 million in research and community projects to minimise the impact of alcohol misuse on Australians. Through its national grants program and commissioned research, FARE has established itself as a leading voice on alcohol and other drugs issues. FARE works with community groups, all levels of government, police, emergency workers, research institutions and the private sector to address alcohol-related problems. For further information visit FARE’s website: [www.fare.org.au](http://www.fare.org.au)