

IN THE LIQUOR LICENSING DIVISION OF WESTERN AUSTRALIA

IN THE MATTER OF AN APPLICATION BY **VARSITY INNALOO PTY LTD** FOR AN EXTENDED TRADING PERMIT FOR ONGOING HOURS FOR PREMISES KNOWN AS **VARSITY INNALOO**, LOCATED AT **SHOP 1, 57 LIEGE STREET, WOODLANDS**

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**PUBLIC INTEREST ASSESSMENT SUBMISSIONS**

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Date of Document: The 26 day of April 2024

Filed on behalf of: The Applicant

Prepared by:

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**Varsity**

1. The Applicant has filed an application for an Extended Trading Permit for Ongoing Hours ("the ETP") for premises known as Varsity Innaloo, located at Shop 1, 57 Liege Street, Woodlands ("the Venue").



2. The ETP is required to operate throughout the whole of the licensed areas of the Venue. Patron accommodation numbers for the whole of the Venue is not to exceed a maximum of 600 patrons, or alternatively:
  - (a) Restaurant/Tavern: 535 pax; and
  - (b) Alfresco: 287 pax.
3. A copy of the Venue's **Maximum Accommodation Certificate** is annexed and marked "**Annexure A**".
4. Upon approval, the ETP will permit the Venue to trade between the hours of 6:00am and 10:00am on a Sunday, in circumstances where there is a live telecast of an Ultimate Fighting Championship ("UFC") event being shown.
5. Currently, when there is a UFC event on, the Venue is only permitted to open and trade as a restaurant and is not permitted to sell liquor until 10:00am.
6. If the ETP is granted, the Venue would be permitted to cater to the liquor requirements of those patrons attending the Venue during UFC events held at the Venue on a Sunday morning prior to 10:00am and then beyond in accordance with the usual trading hours.

### **Proposed Trading Conditions**

7. The Applicant proposes the following trading condition to apply, should the ETP be approved:
  - (a) Voluntary notification to local Police and Shire offices, no less than 48 hours prior to the proposed trading morning.

### **Ultimate Fighting Championship**

8. The UFC is the largest mixed martial arts (MMA) organisation in the world. The UFC showcases the best international fighters using a variety of martial arts styles and disciplines.



9. The UFC is televised live each week on a Sunday with the timetabling of events including Early Preliminaries, Preliminaries and the Main Card. Events are held around the world predominantly in Las Vegas where the UFC is based.
10. During UFC events, participants compete in fights using a combination of boxing, wrestling, judo and various other martial arts, these combined skills are referred to as “mixed martial arts.” The combination of all these sports makes the UFC very popular with a diverse group of fans and patrons of the Venue.
11. UFC matches take place inside The Octagon, an eight-sided structure comprised of metal chain-link fencing. The fence is six feet high and allows for 30 feet of space from point to point of The Octagon.
12. Each UFC bout is a series of five-minute rounds, with a one-minute rest period between rounds. Non-title fights last for three rounds, while championship UFC fights are five rounds in duration.
13. There are currently 5 different UFC weight classes:
  - Lightweight;
  - Welterweight;
  - Middleweight;
  - Light Heavyweight; and
  - Heavyweight.

14. Annexed and marked “**Annexure B**” is a copy of **UFC Events held in 2023**, with “**Annexure C**” showing the current **UFC Events scheduled for 2024** so far. Annexure B provides details of the location and time the events will be held based on Australian Western Standard Time, which confirms the requirement for the ETP.
15. The Venue’s **Red Line Floor Plan** is annexed and marked “**Annexure D**”. It is proposed that the ETP would operate in the whole of the licensed area of the Venue.
16. A **Site Map** for the Venue is annexed and marked “**Annexure E**”, which provides an overview of the neighbourhood in closest proximity to the Venue.
17. Annexed and marked “**Annexure F**” is a copy of the Venue’s **Food and Beverage Menu**.



18. The Venue’s features include:
  - (a) A bar service area;
  - (b) Dining areas providing seated dining with a range of seating options provided;
  - (c) Alfresco area;
  - (d) Audio visual experience, with several giant screens for patrons to enjoy watching the fights on; and
  - (e) Function space for those patron who wish to attend as a group and pre-book a function area.

#### **Varsity Pty Ltd (“Varsity”)**

19. Operating since 2013, Varsity is a Western Australian success story with proven performance across now 10 venues, all of which trade under a type of Tavern class licence and operate based on the Varsity business model. These are:

- (a) Varsity Bar, Nedlands (pax 375), Tavern;
- (b) Varsity Bar Waterford (pax 332), Tavern;
- (c) Varsity Morley (pax 1,003), Tavern;
- (d) Varsity Bar Joondalup (pax 510), Tavern;
- (e) Varsity Northbridge (pax 200), Tavern Restricted;
- (f) Varsity Freo (pax 384), Tavern Restricted;
- (g) Varsity Innaloo (pax 600), Tavern Restricted;
- (h) Northshore Tavern & Bistro (pax 350), Tavern;
- (i) Varsity Midland (pax TBA), Tavern (under renovations); and
- (j) Varsity Cannington (pax 800) Tavern Restricted.

(“the Varsity Venues”)

20. Varsity promises and delivers an inclusive, vibrant, fun and entertaining experience with something for everyone. All of the Varsity Venues are designed to appeal to all age groups, with the median age of patrons being 35 years.



Varsity Innaloo



Varsity Waterford



Varsity Northbridge

21. The Varsity brand and overall feel is intentionally designed to make anyone feel at home. Varsity embraces the peculiarities of each of its sites to create special and unique features that make each location quite distinctive, whilst consistently achieving a high level of service and food standards, together with sports entertainment that is extremely popular and are major drawcards at each of the Varsity Venues. It is extremely important to the Applicant for brand consistency and customer service that patrons can enjoy the same level of services at each of the Varsity Venues.
22. The operation of the ETP has been sought at all the Varsity Venues to ensure that all Varsity patrons, regardless of where they live in the Perth metro area are able to enjoy watching the UFC on a Sunday morning over the same trading periods.
23. The Varsity business model clearly differentiates the brand from other types of licensed venues that operate in WA and fall under the banner of a “regular sports bar”. Each of the Varsity Venues prides itself on distinguishing features in each of its fit outs, the Varsity brand offers a level of services that separates it from the “traditional” sports bar label and is committed to staying true to the Varsity brand of creating a vibrant and interactive setting for its patrons to enjoy.
24. In their own words Varsity identifies who they are by distinguishing what they are not:

***We are not a traditional pub***

*Varsity does not stay open late blasting loud live music and spilling rowdy revellers onto the streets. Period.*

***We are not just a sports bar***

*While we are proudly Perth’s home of sports experiences we are not a sports-obsessed bar where food and family friendly experiences are reduced to an afterthought.*

***We are not just a uni student hangout***

*While we stay true to our American college / street skater culture origins, Varsity has matured into so much more to so many people.*

***We are not just another burger bar***

*You won’t see Varsity tussle with the healthy grilled burger elite at awards night. Sure, our burgers are famous and delicious (and they’re what helped put Varsity on the map), but they don’t solely define us.*

***We are not a cliché' family restaurant***

*We aren't in the company of large, franchises cookie-cutter family restaurants where the experience is polished and predictable.*

*(Source: varsity.com.au)*



VARSITY FREO

25. All the Varsity Venues act as a strong destination attractor within its local area, with a strong community base. Each has a proven ability to draw from a wide catchment area, reflecting Varsity's wide appeal, particularly for special events and live telecasts of particular sporting events, of which the UFC is one of them.



26. On average 59% of visitors reside within a 15-minute drivetime to each of the existing sites, revealing also the significant local community support that each Varsity venue generates.
27. Evidence supporting paragraphs 25 and 26 above is reflected in the Surveys provided as part of these submissions in Annexure G.

## Consumer Requirement

28. The reasonable requirements of consumers and how those needs would be met by the grant of the Application are matters relevant to general public interest considerations raised under s33 of the Act and also to the objects of the Act as stated in sections 5(1)(c) and 5(2)(a).
29. The Applicant has gathered feedback from consumers who live in and around the Locality who were invited to complete a survey relating to the proposal for the Venue, to obtain feedback concerning consumer requirement.
30. Annexed and marked "**Annexure G**" is a bundle of 175 **Consumer Requirement Surveys** that were collected by the Applicant, together with Survey Summary ("the Survey").
31. The Survey lodged by the Applicant establishes that the relevant section of the public supports the Application for the Venue to operate under the ETP. The Survey reflects significant support for the Application to be granted, including the following results:
  - (a) Over 43% of survey participants were aged in their 30's and 40's;
  - (b) 99% of survey participants confirmed that they would like to attend the Venue during ETP trading hours to watch the UFC;
  - (c) 97% of survey participants confirmed that they want to watch live UFC telecasts on a Sunday morning; and
  - (d) Over 99% of survey participants indicated that the Venue was their preferred location to watch live telecasts of UFC.
32. In the present case, it is evident from the Consumer Requirement evidence gathered by the Applicant, together with the Locality's demographic profile (provided in the Locality submissions) that:
  - (a) There is a demand for the ETP to operate during the period of 6:00am and 10:00am for the purposes of live screenings of the UFC on Sundays;
  - (b) The Venue will be well patronised during the ETP trading hours by a wide range of consumers from the Locality and the surrounding areas;
  - (c) There is demand for the Venue to offer its services and facilities during the ETP trading hours;



- (d) The ETP will enhance the entertainment offers available within the Locality that targets the live screening of boxing and martial arts related sporting events; and
  - (e) Improve the opportunities to socialise in the Locality.
- 33. During the ETP trading hours, the Varsity Business Model will be applied at the Venue which will help foster a sense of community engagement that is not just focused on eating and drinking but also entertainment and social interaction with one another. The Applicant submits that an important ingredient in the Varsity brand's success and ability to create a welcoming and safe environment in all of the Varsity venues is the common element of sport.
- 34. Based on the Applicant's experience in operating the Varsity Venues, the sporting events that Varsity presents at each of its venues have the uncanny ability to bring people together as very few other things can. Sport has the power to bring people together, regardless of their age, race or gender and allows patrons to talk to one another through a common interest, which builds connections and creates rapport.
- 35. Approval of the Application will create a unique location within the Locality where members of the public can socialise and watch UFC in a safe and fun environment that encourages social interaction and a sense of community.
- 36. It is the Applicant's intention to file further evidence in relation to the requirements of consumers, once it has been determined:
  - (a) whether any objection(s) have been filed, and if so, whether the objection(s) have been accepted by the Director of Liquor Licensing ("the Director"); and
  - (b) once the Director has determined whether the matter will be determined on the papers or by way of a hearing.

#### **Section 38(4)(a) – Harm or Ill Health**

##### **At Risk Groups**

- 37. The Directors of Varsity have an excellent trading history at all of the highly successful licensed premises that they are associated with. The Applicant submits that it will manage the Venue during the ETP in the same professional and responsible manner.

38. The Director in his policy entitled Public Interest Assessment Requirements and Application Procedures, has identified at risk groups as follows:

*“At risk groups” have been identified and may include; ‘children & young people’, ‘aboriginal people and communities’, ‘people from regional, rural and remote communities’, families, ‘people in low socio-economic areas’, ‘mining communities’, ‘communities that experience high tourist numbers.’”*

39. Given the location of the Venue, it is reasonable to assume that due to the range of people attracted to the Locality, there will be persons who fall within one or more of these categories.

40. The Drug and Alcohol Interagency Strategic Framework for Western Australia 2011 – 2015 identifies the following “at risk” groups and sub-communities. Based upon the Applicant’s knowledge of the area and experience in the Hospitality industry and the patronage it receives at the Venue, it makes the following comments with respect to the “at risk” groups identified.

41. Overall, the standard of the fit-out and manner of operations at the Venue indicate that it will be unlikely to attract a significant proportion of ‘at risk’ sectors of the community as noted in the following paragraphs:

- (a) Young people: Based on its style of operations, proposed services and the demographics of the Locality, the Venue does not attract significant numbers of young people and expects this to remain unchanged, should the application be granted.

As noted in paragraph 20 of these submissions, the median age of patrons attracted to the Varsity Venues is 35 years. With reference to the common ages of the Survey participants in Annexure G and the demographics in the Locality Submissions (Annexures D and E) the demand for the ETP is likely to include a large contingent of more mature members of the community.

- (b) Aboriginal persons: The patron base at the Varsity Venues does not include a notable number of “at risk” Indigenous persons at any of the Venue’s current locations and the Applicant expects this will remain unchanged during ETP trading hours.

- (c) Persons from regional, rural and remote communities: The quality of the fit-out and manner of operations and price point of its foods results in the Venue not attracting a significant proportion of ‘at risk’ sectors of regional,

rural and remote communities and the Applicant does not expect this to change during ETP trading hours.

- (d) Families: Based on the Applicant's experience in screening UFC events at the Venue, it is not expected that the UFC will appeal to this demographic during ETP trading hours.
- (e) Migrant groups from non-English speaking countries: Based on the Applicant's experience in screening UFC events at the Venue, it is not expected that the UFC will appeal to this demographic during ETP trading hours.
- (f) People in low socioeconomic areas: Taking into consideration the proposed quality fit-out, the style of operations at the Venue and the price point of its food and beverages, the Applicant submits that based on the Venue's trading experience, persons suffering disadvantage generally do not patronise the Venue and does not expect this to change during ETP trading hours.
- (g) Mining communities or communities with high numbers of itinerant workers: This does not apply to the Venue.
- (h) Communities that experience high tourist numbers: The Applicant does expect to provide services to visitors to the Locality. Based on the Venue's proposed quality fit-out, the style of operations and the price point of its food and beverages the Applicant submits that it is unlikely to attract a significant proportion of 'at risk' tourists during the ETP.

- 42. The Applicant will strictly maintain and enforce responsible service of alcohol guidelines and will follow the Venue's Harm Minimisation practices at all times.

## **Health**

- 43. The Health Department no longer provides access to publications relating to alcohol-related harm for regions of WA on their website and therefore this data is not accessible to the Applicant.
- 44. Annexure D in the Locality Submissions reveals that arthritis (7.2%) and asthma (6.7%), along with mental health conditions (8%) are the most prevalent long term health conditions that were recorded for the City of Stirling ("the City") residents. These health conditions also dominated in the suburb of Innaloo.

45. Also noted in Annexure D was that over 64% of the City's residents had no long-term health conditions.

### **Crime Prevention Through Environmental Design**

46. The Location and design of the Venue is within the guidelines and principles outlined in the "Designing/Planning Guidelines".
47. The Venue:
- (a) is located in an area that has been zoned for the proposed use and is therefore compatible with neighbouring uses;
  - (b) has specific entry/exit locations for patrons, allowing areas to be easily monitored by staff and surveillance equipment;
  - (c) is located in a well-defined private space, well suited to meet the needs of its patrons;
  - (d) consists of well-designed areas that are monitored by experienced approved managers and staff who will be responsible for monitoring patron behaviour; and
  - (e) will assist in the passive surveillance of the streetscape by activating the area around the Venue in the early hours of Sunday morning.
48. The grant of the Application will enhance the amenity of the Locality by the patron type that it will attract and the hospitality and entertainment services that it will provide, which will encourage further activity throughout the day within the Locality.
49. The Applicant will maintain a strict zero tolerance policy with respect to anti- social behaviour at the Venue.

### **Crime**

50. **Crime Statistics for the suburb of Innaloo** obtained from the WA Police website for the period 2014/15 – 2023/24 are annexed and marked "**Annexure H**".
51. Specific statistics on alcohol-related offences that have occurred in the Locality are no longer available from the WA Police, who have previously advised the Applicant's Solicitors that it is "against WA Police policy to release detailed alcohol related offence statistics prior to the lodgement of a Liquor Licence Application".

52. As noted on the WA Police website, the crime statistics provided in Annexure H are reported based on the location of where the offence occurred and may be influenced by a wide range of factors that include population, infrastructure, seasonal trends and the extent to which crime is reported or detected by police. Such factors should be considered when interpreting the statistics annexed to these submissions.
53. Any statistic provide by WA Police should be treated with caution as statistics generally only refer to alleged offences and not convictions. In the absence of statistics in relation to the rates of conviction, it is uncertain how reliable these statistics are.
54. The Applicant submits that when regard is had to the proposed operation of the ETP (particularly its focus upon the provision of food), and the Venue's past trading history, the Venue should be considered a "low risk" for alcohol related harm.

### ***Anti-Social Behavior***

55. The Venue does not share the following features which are sometimes associated with other similar licenced premises' that have been associated with alcohol-related anti-social behaviour and aggression:
  - (a) Unattractive, poorly furnished, poorly maintained premises give a message to patrons that the managers anticipate physical violence and associated damage to furnishings (Graham, K, Larocque, L, Yetman, R, Ross, TF and Guistre, E, (1980) "Aggression and Bar Room Environments" Journal of Studies on Alcohol, 41 pp277-Aggression has been significantly correlated with poorly maintained, unclean and unattractive bar environments, Homel, R and Clark, J, 1994 "***The Prediction and Prevention of Violence in Pubs and Clubs***" (Crime Prevention Studies 3, 146). Annexed and marked "**Annexure I**".

The Venue has a high quality fit-out and will be well maintained;

- (b) Poor ventilation and smokey air, inconvenient bar access and inadequate seating, high noise levels and overcrowding (Grahame et al 1980, Homel and Clark et al). The applicant in its design of the Venue has incorporated both extensive seating, as well as easily accessible bar areas.

The Venue is non-smoking, well set out and ventilated with substantial seating;

- (c) Graham et al (1980) found that aggression was more likely in bars where there was dancing and pool playing.

There are no dance floors areas at the Venue.

Pool tables are a feature at the Varsity Venues and there is no evidence that pool playing at any of these locations have caused aggression or anti-social behaviour.

- (d) There is greater aggression when bar staff are very aggressive, and do not engage in responsible serving practices (Homel and Clark, 1994, etc. al) and/or little control is exercised over patrons' behaviour. Graham et al 1980. Aggression has been found to be more likely in bars where drunkenness is frequent (Graham et al 1980, Homel and Clark 1994) and where there are discounted drinks and other drink promotions.

This is not the case at the Venue; and

- (e) The availability of food (especially full meals) has been associated with a reduced risk of aggression in bars (Graham, K (1985) "Determinants of Heavy Drinking and Drinking Problems — the Contribution of the Bar Environment"; Single and T Storm (EDS) "Public Drinking and Public Policy, Toronto Addiction Research Foundation".

The Venue has a strong focus on food and meal options will be available throughout the Venue's ETP trading hours.

56. It is submitted that the Venue, with its continued commitment to top quality food and meal options, together with family-friendly entertainment falls within that category of venues where the consumption of alcohol is not the primary focus for patrons.
57. Due to these features, it is submitted that the Applicant's venue is much less likely to be associated with alcohol-related violence and aggression.

#### **Section 38(4) (b) – Impact on Amenity**

58. When considering the impact that the grant of the Application will have upon the amenity of the Locality, it is relevant to consider:

- (a) the net benefits to the local community through the introduction of additional events in the Locality on weekends that will improve the amenity of the area, motivating residents to socialise locally, further activating the area and creating a community hub for like-minded sporting enthusiasts.
  - (b) the immediate locale within which the Venue operates and the services it already provides to the local community.
  - (c) the positive impact that Varsity's brand recognition and its popularity add to the appeal of the Locality as a destination attractor, bringing new business into the area on Sundays.
  - (d) as a destination attractor, the Venue will substantially add to the activation of the Locality on Sunday mornings increasing the passive surveillance of the area and supporting crime prevention.
  - (e) the Venue is in a mixed-use area and is therefore compatible with other uses and complements existing services provided.
  - (f) the additional variety, choice and standard of licensed hospitality services that will become available in the Locality through the activation of the ETP.
59. Planning authorities have recognised the need to meet the growing demands of Perth residents and those visiting areas. Localities across the metropolitan area need to ensure that they provide a greater variety of services to meet the needs and tastes of a wide and growing consumer base that will help to attract new residents and also motivate visitation.
60. All sectors of the community seek out hospitality and entertainment services. The City's planning & economic development strategies noted in Annexures B, C & F in the Locality Submissions aim to create activity centres across the City, which are mixed-use and offer a vibrant, safe and amenity rich area that services the local community. This is also identified by the Chamber of Commerce in their Discussion Paper (Annexure G, Locality Submissions) as important components for to improve the appeal and liveability of an area.
61. The City's objectives are supported by the findings in the Entertainment Surveys (Annexure J & K).
62. The Venue's proposed sports entertainment offer during the ETP hours is consistent with the style of entertainment that the Venue already offers throughout the week and therefore the style of services provided at the Venue during the ETP

trading hours will remain unchanged. Approval of the ETP will allow the Venue to offer UFC fans the opportunity to enjoy this sport live in a social and licensed setting, which is currently not available within the Locality.

63. By reason of the above, the Applicant submits that the grant of the Application will positively contribute to the amenity of the Locality by:
- (a) Encouraging more people to visit and socialise in the Locality, particularly on a Sunday;
  - (b) Enhancing the vibrancy of the Locality and the surrounding streetscape on a Sunday;
  - (c) Offering a safe licensed venue for residents to visit and enjoy to watch live UFC;
  - (d) Adding to the choice of licensed hospitality services that are available in the Locality for the purposes of socialising, enjoying entertainment (i.e. UFC) with quality bar and dining services also available;
  - (e) Supporting the future sustainability of local businesses trading in the surrounding area of the Venue and within the Locality by attracting increased custom to the area.

#### **Section 38(4)(ca) – Effect on tourism & community**

##### **Tourism**

64. Tourism WA's publications, **Tourism WA: Perth Entertainment Precincts (2017)** ("the Entertainment Survey"), extracts annexed and marked "**Annexure J**" and **Perth Entertainment Precincts Research 2022 / Final Report** ("the Final Entertainment Survey") extracts annexed and marked "**Annexure K**" both offer insights into what are the strongest drivers for consumers generally in choosing a licensed venue.
65. With reference to Annexure K, the weekends are the most popular time to visit any precinct (Page 30), with over 3 in 5 of visits being with a partner, and more than half with friends (Page 32).
66. Each precinct was 'known' for different activities, although it is relevant for this application that Events was one of the drawcards that motivated the public to visit a precinct (Annexure K, page 36). The City identified as part of its Strategic Planning (Annexures C in the Locality Submissions) that creating more reasons to



visit the Locality and creating added attractions in the City would help to increase visitor numbers and activate the Locality.

67. The provision of liquor services also rates highly as a key finding, together with extended trading hours (Page 90, Annexure K). These findings support the ETP.
68. The key findings from both Annexure J and K reveals what the general public value when selecting a location to go and socialise in. It also highlights the importance of hospitality venues continually enhancing and reinvigorating services to achieve an exciting and vibrant atmosphere that is a driver for ongoing visitation.
69. The Entertainment Survey provides an insight into the key drivers for consumers visiting a licensed premise. Factors that consumers considered when choosing a venue to socialise in, included, but were not limited to:
  - (a) Safety of the venue;
  - (b) The venue's atmosphere;
  - (c) Availability of food and liquor services;
  - (d) Good reviews/popularity;
  - (e) Opening hours (e.g. extended trading hours); and
  - (f) Live music or other live entertainment.

(Annexure J, page 24, Annexure K, page 90)

70. Considerations for selecting a venue included:
  - (a) Whether food is served;
  - (b) Whether alcohol served;
  - (c) Live Entertainment;
  - (d) Opening Hours; and
  - (e) The Venue's atmosphere. (Annexure J, page 24)
71. In the Final Entertainment Survey, 43% of participants aged 35 – 54 years indicated they were attracted to tavern style venues. (Page 85)
72. Those aged 55+ years are also attracted to tavern style venues (30%). (Annexure K, page 86)

73. Overall, the parties attracted to a tavern style venue largely consisted of:
- (a) Friends (60%);
  - (b) Partner (54%); and
  - (c) Work colleagues (18%). (Annexure K, page 32)
74. Tavern/Sports Bar style venues were found to be one of the most visited class of venue in the Entertainment Survey and the perception was that that this type of licensed premises:
- (a) Added vibrancy to an area;
  - (b) Provided entertainment; and
  - (c) Made an area more appealing and more likely to be visited.
- (Annexure K, pages 94 & 104)
75. Significantly, when considering the following factors, the Venue is well-suited to meet the demands of local residents and visitor during the ETP hours based on the proposed:
- (a) Provision of food and liquor services;
  - (b) Live sporting entertainment;
  - (c) Extended trading hours; and
  - (d) The demographics of Varsity's patron base and those within the Locality.
76. The Applicant submits that the Venue and its proposed style of operations during ETP trading hours will be a positive addition to the amenity of the Locality and will help to better meet the consumer requirements of the local community and visitors for a greater range of entertainment and events to enjoy, particularly on weekends.
77. In addition, the Applicant submits that the additional visitors to the Locality on a Sunday will have a flow on effect on other businesses within the Locality.

### **Community**

78. The Venue will be the only licensed venue in the Locality to present live UFC events on a Sunday morning.

79. Consumer requirement for this event is clearly evidenced in the Surveys that the Applicant has gathered from the general public and provided in Annexure G in these submissions.

***Section 38(4)(c) - Offence, Annoyance, disturbance and inconvenience***

80. It is submitted that the granting of the Application will not cause offence, annoyance, disturbance and/or inconvenience to residents, business owners or persons passing through the Locality.
81. The Venue and its staff will take all reasonable steps to control the behaviour of patrons whilst at the Venue and as they enter and leave the Venue.
82. The Venue will comply with the Environment Protection (Noise) Regulation 1997 and the requirements of the City.
83. The Applicant submits that the successful track record of the Venue, together with the management of other Varsity Venues that have operated previously with an occasional ETP for sporting events are a testament to the highly successfully Varsity Business Model that will be maintained during the ETP. The Applicant will ensure that these high standards are upheld at the Venue during the ETP with respect to harm minimisation strategies and RSA.
84. By reason of all of the foregoing, the Applicant does not foresee that any significant offence, annoyance, disturbance or inconvenience will be caused by the granting of the Application.

**Conclusion**

85. The Applicant submits that it is in the public interest for the Application to be granted as:
- (a) the grant will not result in harm or ill-health due to the consumption of liquor;
  - (b) the approval of the Application will meet the requirements of Varsity's UFC fans that live in the Locality and the surrounding areas.
  - (c) the approval of the Application will enhance the services and facilities that will be available for the community and visitors to enjoy, in particular live screenings of UFC events in a licensed environment;

- (d) the grant of the Application will add to the services and attractions that are available within the Locality on a Sunday;
- (e) the Application supports the City's planning objectives in relation to increasing attractions and activating the Locality;
- (f) the grant will not result in any significant antisocial behaviour, noise or disturbance due to the operation of the ETP. The Venue will continue to operate under the Varsity Business Model, providing a safe and friendly licensed premises that will appeal to a wide range of age groups that live and/or visit the Locality.

86. In all the circumstances, the Application should be granted.



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FRASER & ASSOCIATES LAWYERS  
Solicitors for the Applicant

IN THE LIQUOR LICENSING DIVISION OF WESTERN AUSTRALIA

IN THE MATTER OF AN APPLICATION BY **VARSITY INNALOO PTY LTD** FOR AN EXTENDED TRADING PERMIT FOR ONGOING HOURS FOR PREMISES KNOWN AS **VARSITY INNALOO, SHOP 1, 57 LIEGE STREET, WOODLANDS**

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### LOCALITY SUBMISSIONS

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Date of Document: The 26 day of April 2024

Filed on behalf of: The Applicant

Prepared by:

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Solicitor: Peter Fraser

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1. The Applicant has filed an application for an Extended Trading Permit for Ongoing Hours ("the ETP") for premises known as Varsity Innaloo, located at Shop 1, 57 Liege Street, Woodlands ("the Venue").



2. The Applicant is seeking the ETP to allow them to trade outside of their normal trading hours, permitting the Venue to trade between the hours of 6:00am and

10:00am on a Sunday, in circumstances where there is a live telecast of an Ultimate Fighting Championship (“UFC”) event being shown.

3. The ETP is required to operate throughout the whole of the licensed areas of the Venue.
4. Currently, when there is a UFC event on, the Venue is only permitted to open and trade as a restaurant and is not permitted to sell liquor until 10:00am.
5. If the ETP is granted, the Venue would be permitted to cater to the liquor requirements of those patrons attending the Venue during UFC events held at the Venue on a Sunday morning.

### Locality

6. A 2km radius defines the Locality based on the Director’s policy titled “Specification of Locality” (“the Policy”).

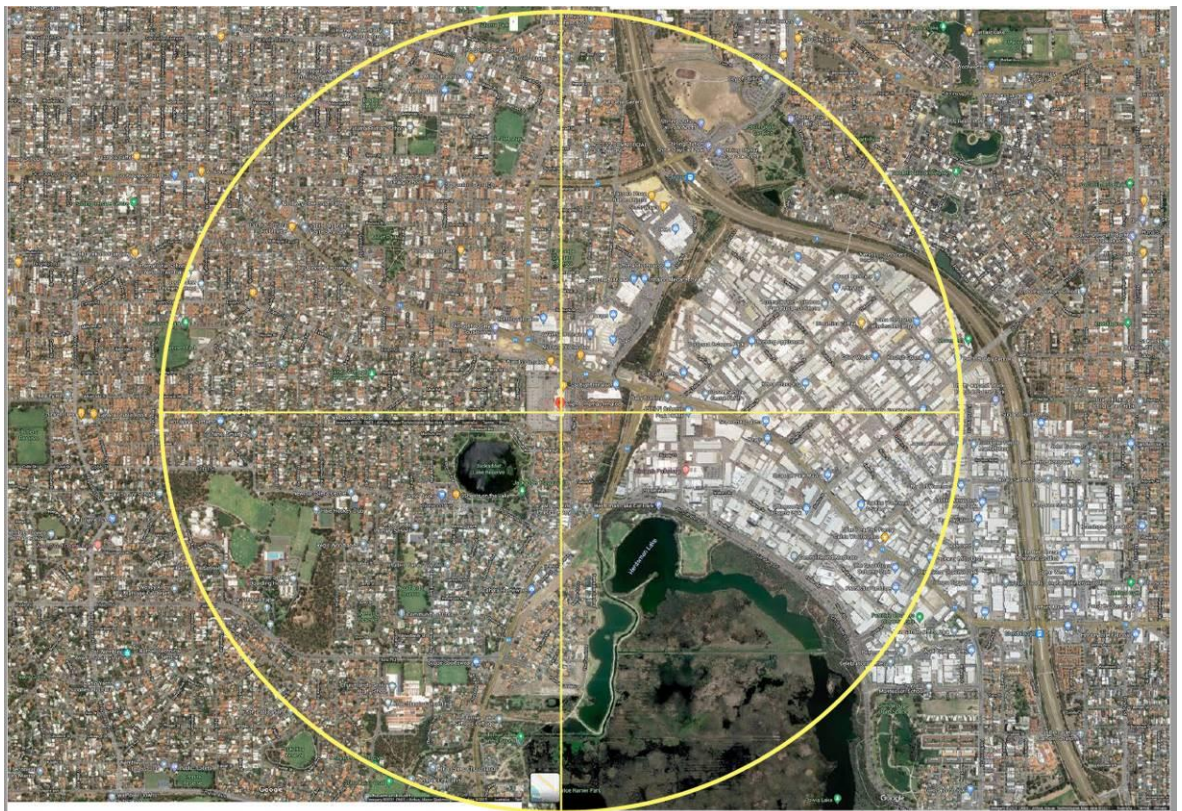


FIGURE 1: LOCALITY MAP

7. The Venue is approximately 10kms from the Perth CBD. For the purposes of this submission, the defined locality (as shown in Figure 1) includes the suburb of Innaloo, and parts of Gwelup, Stirling, Karrinyup, Doubleview, Scarborough, Woodlands and Osborne Park.



FIGURE 2: SUBURBS SURROUNDING THE SITE

8. It is submitted that the suburb of Innaloo and the surrounding area around the Venue are the areas most likely to be affected by the Application.
9. A **Locality Summary** annexed and marked "**Annexure A**" provides a summary of other licensed venues of a similar class operating in the Locality and their distance from the Venue. None of these Venues operate during the proposed ETP trading hours or offer live telecasts of the UFC on Sundays.
10. The Venue is located in close proximity to high frequency transport bus services along Scarborough Beach Road that are linked to the Stirling Train Station on the Joondalup line, with services also linked to Scarborough and the Glendalough train station. Taxi and Uber style services will be easily accessible from the Venue.
11. Substantial car park facilities are available at the Site with a total of 1,278 car parking bays being available. The Venue's patrons will find parking convenient and in close proximity to the Venue. (Refer to Figure 3 below)

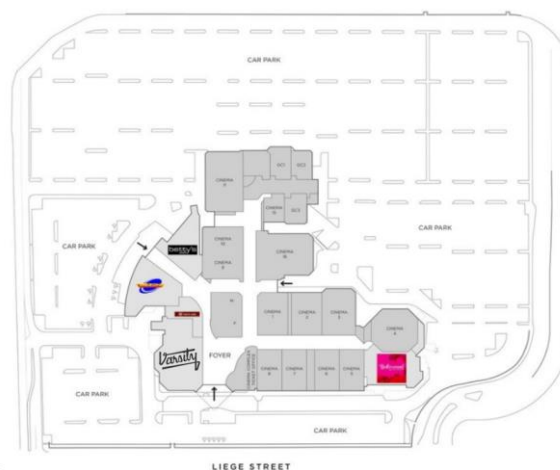


FIGURE 3: SITE MAP

### Event Cinemas, Innaloo Cinema Centre

12. Currently operating at the Site in addition to the Venue are the following businesses:

- (a) Event Cinemas - generally the earliest screening is 9:30am;
- (b) Timezone – opens from 10:00am; and
- (c) Bollywood Restobar.- opens from 11:30am on a Sunday.



13. The Site offers a complete entertainment precinct that delivers the ultimate cinema experience and is supported by hospitality venues as noted in paragraph 12 above.

#### **Local Government Authority**

14. For the purposes of Section 69 of the Act, the City of Stirling (“the City”) is the local government authority which may lodge an intervention pursuant to the provisions of section 69(7) of the Act.

#### **Innaloo**

15. Innaloo is a suburb of Perth that is located less than 10 kilometres from Perth’s CBD, 4.5 kilometres from Scarborough Beach, which is a popular tourist destination and Osborne Park, a high density light industrial and commercial business centre, is an adjacent suburb located to the south of the Site.
16. Innaloo’s status as a suburb has grown with the ongoing development of these two precincts and its central location to surrounding affluent residential suburbs, such



as Karrinyup, Wembley Downs, Churchlands, Doubleview and Woodlands. (Refer to Figure 2 and 4)



FIGURE 4: KEY DESTINATION POINTS IN THE LOCALITY

17. Innaloo contains the Westfield Innaloo Shopping Centre (“the Shopping Centre”), which is a major shopping centre in the northern suburbs. It:
  - (a) is the main retail and commercial precinct within the Locality and along Scarborough Beach Road through Osborne Park; and
  - (b) has a high density of commercial and retail businesses that includes IKEA and the Event Cinemas, Innaloo Cinema Centre (“the Site”), which one of Perth’s largest cinema complexes and is where the Venue is located.
18. Innaloo is therefore an important destination within the City of Stirling and services both local residents and workers, as well as many people who live outside of its boundaries.

### City of Stirling (“the City”)

19. The City of Stirling (“the City”) is the largest local government area (LGA) by population in Western Australia based on the latest ABS Census data.



FIGURE 5: CITY OF STIRLING BOUNDARY MAP

20. The City covers an area of 100km<sup>2</sup> and includes the following suburbs:
- Balcatta, Balga, Carine, Churchlands, Coolbinia, Dianella, Doubleview, Glendalough, Gwelup, Hamersley, Inglewood, Innaloo, Joondanna, Karrinyup, Menora, Mirrabooka, Mount Lawley, Nollamara, North Beach, Herdsman, Osborne Park, Scarborough, Stirling, Trigg, Tuart Hill, Watermans Bay, Wembley, Wembley Downs, Westminster, Woodlands and Yokine.
21. The Site is contained within the **Draft Stirling City Centre Structure Plan** (“the Structure Plan”), extracts of this which document are annexed and marked “**Annexure B**”. Pursuant to the Structure Plan the Venue will be located within the “Woodlands Precinct”, which has been defined as part of the “City Centre Land Use Sector”. The objectives of this sector are as follows:
- “a) To provide for a variety of land uses and activities which contribute to a vibrant and active street front;*
  - b) To provide a high-density, multi-storey built form outcome with vertical integration of land uses;*
  - c) To facilitate the creation of employment within the area so as to reduce the demand for travel and enhance the level of self-sufficiency; and*
  - d) To ensure a high standard of design that negates issues such as noise, smell and vibration that are related to mixed use developments.”*
22. The Application is consistent with the relevant objectives of the land uses for the City Centre Sector for the following reasons:
- (a) The ETP will add to the vibrancy and attractions available in the Locality on Sundays and will improving the passive surveillance of the area on weekends;
  - (b) The Application will add to employment opportunities and increased economic activity within the Locality;
  - (c) Noise control measures will be implemented at the Venue to mitigate any impact on the surrounding area; and

(d) The Application will provide convenient additional licensed hospitality and entertainment services to within the Locality and the surrounding residential areas, adding to the appeal of living in the City.

23. A strategic plan has been formulated by the City based on its planning objectives as a guide to achieving its desired vision for the City. The City's **Strategic Community Plan 2016 - 2026** ("the Community Plan") is annexed and marked "**Annexure C**".

*"In 2026 the City of Stirling will be thriving and liveable with high quality infrastructure."*

24. The Community Plan aims to achieve a vibrant and attractive LGA for both local residents and visitors to enjoy. The City is working with residents and businesses to create a liveable city with thriving neighbourhoods. Annexure F incorporates the feedback the City received as part of its community consultation process to determine the community's concerns and priorities.

***"Social***

*"...people want to feel comfortable and secure where they live and have easy access to shops, parks, cafes and nightlife.*

*Getting around is important to people who want to have all options, whether walking, cycling, public transport or car, to be safe and convenient."*

***"Economic***

*"People value the vibrancy and wide choice of activities available in the City and want to see the City's economy, businesses, shops and nightlife continue to flourish"*

(Page 11)

25. As a destination attractor, the Application will support the City's objectives in creating a safe, vibrant and friendly place to visit and socialise in.
26. The further development of hospitality services at the Site will greatly enhance the Site's appeal. The Varsity Business Model at the location will be applied at the Venue which will help foster a sense of community engagement that is not just focused on eating and drinking but also entertainment (i.e. live screening of a range of sporting events) and social interaction with one another.

27. The Applicant submits that the grant of the Application is consistent with the City's Strategic Community Plan and planning guidelines, all aimed at improving the City's attractiveness and appeal and making it a more liveable and vibrant place to live and visit.
28. Annexed is ABS Quickstats (2021) for the following areas:
  - (a) City of Stirling, annexed and marked "**Annexure D**" ("**LGA QuickStats**"); and
  - (b) Suburb of Innaloo, annexed and marked "**Annexure E**" ("**Innaloo QuickStats**").
29. The median age of residents in both the LGA and Innaloo Quickstats was shown to be similar averaging 37 years. The largest groups of people living in both the LGA and the suburb of Innaloo were married couples and singles who had never married.
30. There were significantly more couple families with no children in Innaloo (46.1%) when compared to the City (39.9%).
31. The four main occupations in the suburb of Innaloo were:
  - (a) Professionals (33.1%);
  - (b) Technicians and Trade workers (13.2%);
  - (c) Clerical and Administrative workers (13%); and
  - (d) Managers (12.2%).
32. For the City of Stirling, residents who were born in Australia made up 57.7% of the population, the statistic for the suburb of Innaloo was relatively the same at 58.3%.
33. In both the LGA and Innaloo, the Indigenous population was approximately around 1% the population (0.9% in Innaloo and 1.2% in the LGA).
34. Within the LGA, only English was spoken in 67.6% of households. The other main languages spoken at home were:
  - (a) Italian (2.6%);
  - (b) Mandarin (2.2%);
  - (c) Vietnamese (2.1%);

- (d) Cantonese (1.1%); and
- (e) Arabic (1.1%).
35. In the Locality of Innaloo, the English proficiency of residents was high, as shown in Annexure E which records the number of residents who only spoke English at home being 73.3% of residents, with Mandarin being the top alternative language spoken at home (3.2%) and then Italian (1.6%).
36. The SEIFA score for the City of Stirling in 2021 was 1027. Across Australia's local government areas SEIFA scores range from 143 (most disadvantaged) to 1207 (least disadvantaged). The City ranks 441 out of 547 local government areas with SEIFA scores in Australia, with 440 local government areas that are more disadvantaged. (Refer to Figure 6 below)

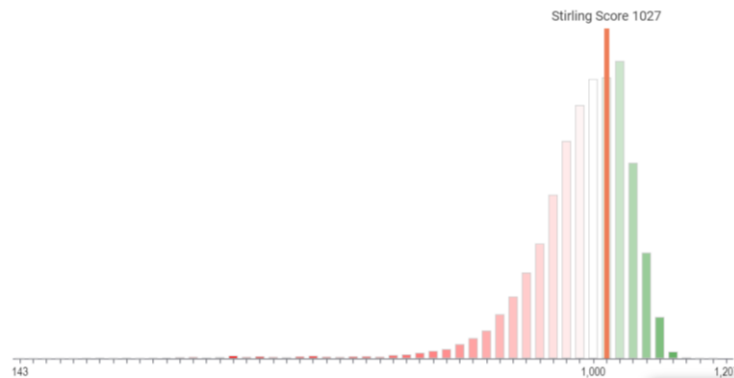


FIGURE 6 - SEIFA SCORE

37. Significantly, demographics noted in Annexures D and E correspond with the Varsity's patron base and the preferences noted in the Entertainment Surveys (Annexure J and K) in the PIA Submissions.

### Economic Development

38. The importance of developing and supporting existing mixed-use developments that promote the City as a vibrant destination is an important theme that is a key objective for the City that is discussed in the City's **Economic & Tourism Development Strategy** ("the Development Strategy"), extracts of which are annexed and marked "**Annexure F**".
39. The Application will support "a range of desirable planning and social outcomes", as noted in the following objectives that have been set by the City:

*“Activity centres supplemented with alternative products to encourage mixed-use developments that facilitate area adaptability as market demand shifts.”*

(Page 34)



40. The City has made a commitment to encourage the development at existing centres, such as what the Applicant proposes at the Site, in order to:
- (a) continue to meet the growing needs of residents who want to socialise close to home;
  - (b) maintain the future viability of existing activity centres who will experience future challenges to maintain their market share as new and more modern facilities are constructed in the Locality and in the surrounding areas by improving the amenity and appeal of these centres;
  - (c) improve the mix of uses at activity centres, such as the Site; and
  - (d) improve the overall liveability of the City.

(Refer to Annexure F, Part 1: Page 4, 5, 7, 15, 17, 18, 21, Part 2: 9, 10, 18, 21, 22, 77, 78, 111-114)

41. A liveable city with thriving neighbourhoods is a key goal that the City aims to achieve, which is reflected in (Annexures B, C & F).
42. The Chamber of Commerce and Industry in their discussion paper, **Perth Vibrancy and Regional Liveability** ("the Discussion Paper"), annexed and marked "**Annexure G**", discusses the importance of increasing the vibrancy of Perth in order to attract more people to visit and motivate them to stay longer.

43. It is submitted that the present application is consistent with the planning objectives of the City and WAPC, as well as the recommendations made by the Chamber of Commerce and Industry and Tourism WA.
44. Planning authorities have recognised the need to meet the growing demands of Perth residents and those visiting Perth. Localities across the metropolitan area need to ensure that they provide a greater variety of services to meet the needs and tastes of a wide and growing consumer base that will help to attract new residents and also visitors. The Application supports these objectives.
45. The City has indicated that they are committed to implementing strategies to increase the vibrancy, attractiveness and amenities within their LGA for a growing population and visitors.
46. The features and demographics of the Locality, together with the unique entertainment services that the Venue is proposing to offer during the ETP should be taken into consideration when determining the Application.
47. By reason of the above, the Applicant submits that the grant of the Application will positively contribute to the amenity of the Locality by:
- (a) Encouraging more people to visit the Site and the Locality in general, particularly on Sundays by UFC sports fans;
  - (b) Offering a safe and friendly licensed venue for members of the community to watch live UFC events;
  - (c) Adding to the choice of entertainment that is available in the Locality for members of the community to enjoy; and
  - (d) Supporting the future sustainability of the Site and local businesses trading in and around this location.



IN THE LIQUOR LICENSING DIVISION OF WESTERN AUSTRALIA

IN THE MATTER OF AN APPLICATION BY **VARSLITY INNALOO PTY LTD** FOR AN **EXTENDED TRADING PERMIT (ONGOING HOURS)** FOR PREMISES KNOWN AS **VARSLITY INNALOO**, SHOP 1, 57 LEIGE STREET, WOODLANDS

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### LEGAL SUBMISSIONS

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Date of Document:           The                   26                   day of                   April                   2024

Prepared by:

Prepared by:

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The logo for 'Varsity' is written in a dark blue, stylized, cursive font. The word is slanted upwards to the right. A thick, dark blue horizontal line runs above the letters, and another thick, dark blue horizontal line runs below them, both extending slightly beyond the width of the text.

#### **Extended Trading Permit for Ongoing Hours**

1. An extended trading permit may be granted for the purpose of authorising a licensee to sell liquor under the licence during specified hours that would not otherwise be permitted hours (section 60(4)(g) of the Act).
2. An ETP should not be issued in a way calculated to subvert the system of licence classification (*re Universal Bar and Grill (1994) 10 SR (WA) 71*).
3. The "subversion of the licence classification system" means the "imposition of conditions that will change the essential nature of the licence of the relevant class" *Beachport Properties Pty Ltd v Tyncom Pty Ltd & Ors BC 9000206 SCSA (at page 2)*.



4. An Applicant for an ETP is not required to demonstrate exceptional public interest considerations in relation to applications for extended trading hours (*Hermal Pty Ltd v The Director of Liquor Licensing (2001) WASCA 356*).
5. A restriction upon extended trading hours cannot be inferred from a lack of express government guidance. Such guidance is provided by the test for an ETP and the scopes and objects of the Act. (*Hermal Pty Ltd v The Director of Liquor Licensing, supra* above).
6. Although the power exists under section 61A to limit the permitted hours authorised by extended trading permits, this power has not been exercised.
7. As such there is at present no limitation upon the trading hours that may be granted under an extended trading permit.
8. We note that:
  - (a) the 2005 *Freemantle Review of the Liquor Licensing Act* recommended that Extended Trading Permits for trading hours be restricted to 2:00am in the morning; and
  - (b) Parliament, as evidenced by debate of the Bill, Hansard 24 October 2006, page 75073 – 7541(a), intended the legislation be drafted in such a manner that the Licensing Authority could grant ETPs to beyond 2:00am, thereby rejecting the Fremantle recommendation.
9. Accordingly, an ETP permitting a venue to trade until 2:00am is:
  - (a) entirely consistent with the tenor of a Tavern (Restricted) licence;
  - (b) consistent with the hours during which Parliament envisaged a hotel or tavern could operate; and
  - (c) does not subvert the system of licence classification.

#### **Public Interest**

10. Section 38(4) provides that the matters the Licensing Authority may have regard to in determining whether the grant of an application is in the public interest, include:
  - (a) the harm or ill health that might be caused to people, or any group of people due to the use of liquor;

- (b) the impact on the amenity of the Locality in which the licensed premises or proposed licensed premises are, or are to be, situated;
  - (c) whether offence, annoyance, disturbance or inconvenience may be caused to people who work or reside in the vicinity of the licensed premises or proposed licensed premises; and
  - (d) any other prescribed matter.
11. Relevant to the question of the public interest are the objects of the Act which, for the purpose of the present application, relevantly include the following primary objects:
- (a) to regulate the sale, supply and consumption of liquor;
  - (b) to minimise harm or ill health caused to people or any group of people due to the use of liquor; and
  - (c) to cater for the requirements of consumers for liquor related services with regard to the development of the liquor industry, the tourist industry and other hospitality industries in the State.
12. It is submitted that when sections 5(1)(a), (b) and (c) are read in conjunction, the Licensing Authority, in regulating the sale, supply and consumption of liquor, and catering for the requirements of consumers for liquor and related services, is required to have regard to the object of minimising harm or ill health cause to people or any group of people.
13. It follows that although section 5(1)(b) is a primary object of the Act, it does not necessarily mean that when harm or ill health may be caused to people by the granting of an application no licence should be granted (*Executive Director of Public Health v Lily Creek International Pty Ltd & Ors* (2000) WASCA 258).

#### **Section 5(1)(b): Harm and Ill-health**

14. Section 5(1)(b) provides the following primary object of the Act:

*"To minimise harm or ill-health caused to people, or any group of people, due to the use of liquor."*

15. The Licensing Authority is required to consider whether the risk of increased harm is acceptable or unacceptable. It is not the position, however, that any increase is unacceptable. This is an assessment which must be made on a case-by-case basis

*(Executive Director of Public Health v Lily Creek International Pty Limited & Ors [2001] WASCA 410 at [59] per Wheeler J).*

16. When considering whether the grant of the application will cause harm or ill-health to people or any group of people due to the use of liquor, the approach to be adopted is as follows:
- (a) the Licensing Authority must make findings that specifically identify the existing level of harm and ill-health in the relevant Locality due to the use of liquor;
  - (b) the Licensing Authority must make findings about the likely degree of harm to result from the grant of the application;
  - (c) the Licensing Authority must assess the likely degree of harm to result from the grant of the application against the existing degree of harm; and
  - (d) the Licensing Authority must weigh the likely degree of harm, so assessed, together with any other relevant factors to determine whether the applicant has satisfied the Licensing Authority that it is in the public interest to grant the application.

*(Carnegies Realty Pty Ltd v Director of Liquor Licensing [2015] WASC 208 at page 14.)*

17. It is not sufficient to simply reason that, where there is already a high level of harm in the particular area, even a small increment in potential or actual harm may be determinative, without making specific findings on the evidence about the level of alcohol-related harm which is likely to result from the grant of the particular application (*Carnegies*, supra at page 15).

### **Section 5(c)**

18. The Act no longer provides for a "needs test".
19. Section 5(1)(c) of the Act states:

*"(1) The primary objects of this Act are:*

- (c) to cater for the requirements of consumers for liquor and related services, with regard to the proper development of the liquor industry, the tourism industry and other hospitality industries in the State."*

20. In *Australian Leisure and Hospitality Group Pty Limited v Commissioner of Police & Ors* [2017] WASC 88, the Supreme Court stated:

*"... I consider Section 5(1)(c) requires regard be directed to the proper development of the liquor industry, the tourism industry and other hospitality industries in the State in considering the issue of catering for consumer requirements.*

*Catering for consumer requirements is not be considered in isolation. The potential and opportunity for proper development of the industry (including change) is not to be ignored.*

*Assuming there is appropriate probity evidence, the words invite a broader ambit of matters to be considered as part of assessing the diversity of consumer requirements and how they are to be catered for".* (paragraphs 67-69)

21. While indicating that it is not for the Court to prescribe the matters which may be important when considering the proper development of the liquor industry, in that matter, the Supreme Court stated:

*"However, in this case, it would seem that the changing demographic of the community and the introduction of a different offering in terms of consumer choice and diversity are important matters for evaluation and the Commission ought to have a proper regard to them, which means not only stating conclusions but revealing an analysis of the relevance of those matters."* (paragraph 10)

22. When considering the primary object contained in Section 5(1)(c), it is settled law that this object does not incorporate the "need" test, which was removed by amendments to the Act made by the *Liquor and Gambling Legislation Amendment Act 2006* (WA) (refer to *Australian Leisure and Hospitality Group Pty Limited v Commissioner of Police* [2016] WASC 40).

23. In *Liquorland (Australia) Pty Limited* LC 07/2017, the Liquor Commission stated:

*"... The Commission has not considered the issue of "need" in determining this application. The Commission does not consider that Section 5(1)(c) of the Act imposes a positive onus on applicants to establish that there is a need or requirement for the granting of the application. That Section relates to an objective assessment of whether the granting of the application will cater for the requirements of consumers for liquor and related services, with regard to the proper development of the liquor industry, the tourism industry and other*

*hospitality industries in the State. The submissions made on behalf of the Director in respect of this issue are rejected by the Commission." (Paragraph 22) (our underlining).*

24. The submission referred to by the Commission is summarised at paragraph 11 of the Decision as follows:

*"In written submissions dated 4 August 2016, Counsel for the Director stated that:*

*.....In order for the Liquor Commission to conclude that the grant of the application materially caters for the requirements of consumers for liquor, the applicant is required to, by cogent evidence, prove that there is, in fact, a consumer requirement - that is, some call by consumers for the products and services that will be offered at the premises and that the grant of the application will cater for that requirement in a way which can be said to be beneficial to the public interest."*

25. A similar argument was advanced on behalf of the Director of Licensing in the matter of *ALDI Food Pty Limited* [LC 09/2017] ("the ALDI Decision").

26. At paragraph 17 of the ALDI Decision, the Commission stated:

*"It is apparent that the Director wished to rely upon the Woolworth's evidence in submitting that the applicant had 'failed to demonstrate the degree to which the grant of the application would cater for the requirements of consumers for liquor."*

27. The written submissions lodged on behalf of the Director went on to state that:

*"There has to be evidence of some call by consumers for the products and services that will be offered at the proposed licensed premises."*

28. This point was further developed at the hearing at which Counsel for the Delegate stated:

*"... But the point being is that that statement needs to be considered in that context that the Delegate wasn't just considering the evidence provided in support of the ALDI Application, it was also in the context of the evidence put forward by Woolworths as to consumer requirement in considering that evidence as a whole."*

29. To place this submission in context, the application under review in the ALDI Decision was originally considered in conjunction with an application by Woolworths for a liquor store licence in the same shopping centre the proposed ALDI store was to be located.

30. In refusing the ALDI Application at first instance, upon a consideration of both the Woolworths and the ALDI Applications, the Delegate to the Director stated:

*"I have concluded that the Woolworths Application would provide greater benefits to consumers in the locality ..."* (Paragraph 6 of the Decision of the Director of Liquor Licensing dated 11 May 2016).

31. The submission advanced by the Director with respect to the correct approach to be adopted under Section 5(1)(c) of the Act (reproduced above) was rejected by the Commission. The Commission stated:

*"In any event, the submissions advanced on behalf of the Director were based on the misconception that Section 5(1)(c) of the Act required an applicant to establish a need or call or requirement for liquor in the locality. The submissions ignored the wording of the provisions which states that one of the primary objects of the Act is "to cater for the requirement of consumers for liquor and related services with regard to the development of the liquor industry, the tourism industry and other hospitality industries in the state."* (Paragraph 19) (our underlining).

32. The Commission further stated in that case:

*"Section 5(1)(c) requires the Commission to evaluate whether the evidence before it is such that the granting of the application will cater for the requirements of consumers for liquor and related services and provides for the profitability of the liquor industry. It does not require an applicant to establish that there is a need for liquor in the relevant location. As was noted by Martino J in *Australian Leisure and Hospitality Group Pty Limited v Commissioner of Police* the "needs test" no longer applies to applications of this nature".* (paragraph 27) (our underlining)

### **Section 5(1)(c) and the 'balancing exercise'**

33. A conflict may arise between the object of minimising harm or ill health on the one hand and catering for the requirements of consumers on the other. Neither of the primary objects under sections 5(1)(b) and 5(1)(c) should be given precedence. In such cases,

the Licensing Authority undertakes a balancing exercise, weighing up considerations relevant to these and all other objects of the Act.

34. Where there is a prospect of harm or ill health being caused by the grant of a licence, and the grant would advance other objects, the resolution of the conflict that then arises will depend on the degree of importance that is to be attributed to each of the relevant factors in the particular circumstances (*Executive Director of Health v Lily Creek International Pty Limited & Ors* (2000) WASCA 25 at page 45).



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