
Managing Alcohol Consumption:
A review on licensed clubs in remote
Indigenous communities in the NT

June 2015

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Report to the Northern Territory Department of Business

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Acknowledgements

A lot of people have put much care and thought into making this study come to fruition, and for it to be of high quality. The survey was conducted by a highly skilled and professional team, and we would like to acknowledge all of their hard work in the field. They are Sally Hodson, Vanessa Davies, Roger Barnes, Steve Payne, Michael Harvey, Jo Thompson and Tristan Ray. We also had the support of local researchers, and we would like to acknowledge Jeanette Buranalli, Rodney Gondarra, Eddie Purintatmeri and Roslyn Frith.

We also received great support for organising the survey teams and all the related logistics from Meg Selman and Aimee Pitman. Viv Blandy and Ronnie Cubillo have also been generous with their time and knowledge of the communities.

The Research Advisory Committee comprising Ceilia Divakaran, Jane Alley, Nick Hartnell, Rachael Norman, Bill Medley, Jennifer Frenkin, Jo Murray, Alyson Wright, Sarah Haythornthwaite and Sr Sgt Steven Smith provided oversight and guidance to this research study, and we thank them for their unflagging enthusiasm and support.

Finally we would like to thank all the people in the communities who were generous with their time, knowledge and opinions. Through them we have been able to learn an enormous amount on a subject that has not been investigated for many years. They have brought us up to date with how this aspect of their community works, and we are grateful to them.

Executive Summary

This study was commissioned by the (then) Commonwealth Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) and the (then) NT Department of Justice, and funded by the Australian federal government. It was commissioned in 2012, and the research took place in early 2013. The study has two aims: -

- Appraising harm levels associated with the operation of licensed social clubs in communities as compared to communities without such clubs;
- Identifying what the best practice social club models would look like, and how these can best support responsible drinking which contributes to managed alcohol consumption and reduction in levels of alcohol related harms (Request for Tender, NT Dept of Justice, 2012).

To achieve these aims two main strategies were implemented. Firstly we gathered qualitative information on governance, staff practices, service, infrastructure, patterns of alcohol consumption in the community and perceptions of the impact of the club. Secondly we accessed quantitative data in order to assess the impact of alcohol consumption on community residents, and compared that to communities without clubs.

In order to gather qualitative data we conducted surveys with residents and service providers in eight communities with clubs in the Top End of the Northern Territory. The communities and their respective liquor outlets are listed in Table 1 below.

Table 1: Communities and associated licensed venues

Community	Liquor outlet
Beswick (Wugularr)	Beswick Community Store
Gunbalanya	Gunbalanya Sports & Social Club
Milikapiti	Milikapiti Sports & Social Club
Wurrumiyanga (Nguiu)	Wurrumiyanga (Nguiu) Club
Peppimenarti	Peppimenarti Club
Pirlangimpi	Pirlangimpi Community Club
Kalkarindji	Kalkarindji (Warnkurr) Sports & Social Club

Wurankuwu (Ranku)

Wurankuwu Club

One of the licensed venues in the above list – Wurankuwu – did not trade during the period of the study and was excluded from the quantitative analysis.

A total of 362 participants took part in the survey. In addition we conducted interviews with club staff and managers. The service providers represented were police, school staff, welfare organisations, health and store staff.

In order to assess the impact of clubs on alcohol related harms we undertook a comparison of alcohol related data between communities with and without clubs. For this purpose we obtained data on reported assaults; alcohol related hospital separations and admissions to sobering up shelters.

1.1 Background to licensed social clubs

The history of the clubs varies across the eight sites. In some places there have been long periods in which the clubs have been left to manage themselves. These periods have seen very high sales of alcohol at some of the clubs, and reports of heavy alcohol related harms in some of their communities. The alcohol sales of 2005 presented in this report are the best reflection of this period. They indicate per capita alcohol consumption that was well above the average consumption for the NT, which in turn is well above the Australian average. This period is also discussed in the literature review presented in chapter three.

1.2 Current levels of alcohol consumption

Five⁴ clubs recorded a significant decline in wholesale supplies in 2007 – the year in which the federal government introduced restrictions on trading conditions under the Northern Territory National Emergency Response (NTNER). Moreover, the lower levels of sales post-2007 appear to have been sustained for the remainder of the period under review. In the one club that was not affected by the NTNER sales appear to have peaked in late 2009, after which they may have declined, although the significant gap in records in 2010 and 2011 precludes more definitive interpretation.

Four key changes introduced under the NTNER are likely to have combined to produce this impact. The first is the shortening of opening hours from five or six to four days per week; and from five to three hours per day. The second is the shift from full strength to mid-strength beer. The impact of this is explored further below. The third is the abolition of take away sales from outlets that previously allowed them. The fourth change is Income Management, under which half of income received through

⁴ Insufficient data was available to discern trends for two of the eight clubs. These two – Beswick and Ranku are the smallest and least frequented of the eight clubs.

Centrelink was quarantined from spending on alcohol or tobacco. Residents in all of the communities included in this review were made subject to Income Management.

However there is strong qualitative evidence that in most of the communities residents purchase a substantial portion of their alcohol from other outlets. Qualitative data suggest that in some communities this is more than 50% of their total consumption, and in some it is far less. In addition some communities with social clubs have a permit system which allows residents to purchase some alcohol each week to drink at home. Total alcohol consumption levels for communities with clubs cannot therefore be assessed through club sales alone.

1.3 Feedback on opening hours and alcoholic beverages

The provisions banning full strength beer have become a political issue in some of the communities. In this context it is important to examine community feedback on the changes to both opening hours and the type of alcoholic beverages sold.

Respondents were asked whether or not they were content with the switch from full to mid strength beer that was mandated in the changes made in 2007. More than half (59.0%) reported that they were happy with the mid strength beer, and 39.8% were not.

Over the whole sample of survey respondents a small majority (52%) reported that they are happy with the shorter opening hours, while 43% would like to see longer opening hours (other responses were either 'Don't know' or no response). This varies somewhat between communities, but only one community recorded more than 55% of respondents in favour of longer opening hours. The reasons given for approval of shorter hours are that it gives the community a better balance between club opening times, and family and cultural life.

The reasons given for the positive feedback on mid-strength beer is that people feel that the communities are quieter and there is less violence than when full strength beer was available. On a personal level respondents reported liking that they do not feel bad the next morning, and are able to go to work. The police reported strong support for the change to mid-strength beer.

1.4 Comparison of alcohol related harms between communities with and without clubs

Prior to, and at the time of, the NTNER (2007), the rates of both total recorded assaults, and alcohol-related assaults, were higher in communities with clubs than in the NT as a whole, and in 'NT Balance' – the remainder of remote communities in the NT. Since then, two trends are apparent. Firstly, rates of total recorded assaults have continued to rise in communities with clubs, the NT as a whole, and in 'NT Balance'.

The rates of increase in all three are similar. Secondly, however, the rates of alcohol-related recorded assaults in communities *with* clubs have exhibited a downward trend, in contrast to trends in the NT as a whole, and in NT Balance, in both of which rates have continued to increase.

The upshot of these trends was that, in 2011-12, the rate of alcohol-related recorded assaults in communities with clubs was similar to the NT-wide rate (but higher than NT Balance), while the rate of total recorded assaults in communities with clubs remained over 50% higher than in the NT as a whole.

One conclusion that can be derived from this analysis is that, as of 2011-12, licensed clubs in communities did not appear to be associated with rates of alcohol-related assaults higher than the NT-wide figure, although this was not the case five years earlier. At the same time, continuing high rates of non-alcohol related assaults in communities with clubs warrant further investigation.

Hospital admission rates for alcohol related causes for localities with and without licensed clubs were compared. The results indicate that communities with clubs have slightly lower rates of alcohol-related separations (28.8 per 1,000 population) than those without clubs (32.1 per 1,000 population).

Sobering Up Shelter data was accessed to compare admission rates for clients from communities with and without clubs in order to assess the extent to which residents of communities with clubs continue to access alcohol in urban areas. The trends and differences between residents of communities with and without clubs point to two conclusions: firstly, the presence of a licensed outlet in a community need not, in itself, lead to lower rates of apprehensions for public drunkenness in town and regional centres than are associated with communities without licensed outlets; secondly, a significant influence on rates of apprehensions in towns and regional centres – possibly acting in conjunction with the presence of licensed outlets in communities – appears to be the degree of accessibility to urban liquor outlets.

In summary this analysis suggests that communities with clubs do not experience markedly higher alcohol related harms than those without clubs.

1.5 Feedback on other elements of the impact of clubs on their communities

Many survey respondents reported being proud of their clubs. It gives them somewhere to go and enjoy themselves, and another element to life in their community. Many non-drinkers also supported the existence of the club and felt that it should be available to people who want to use it. Clearly, for some people they are a valuable community resource.

Service providers, particularly police, report that clubs are a powerful tool in controlling people's behaviour. Community residents value access to the club highly, and some aspects of their behaviour can therefore be controlled by threats of banning from the club. Communities use this control for a variety of purposes – getting people to go to work, punishment for perpetrators of domestic violence, punishment for people who neglect their children, making people pay for things that they have broken and so on.

A less positive impact is the financial stress that having a club brings to individuals and their families. A considerable proportion of the disposable income in a community with a club is spent at the club. This creates financial pressure, and is likely to mean that other things like vehicles, clothes and food are less likely to be purchased. However this dynamic is not unique to communities with clubs. In communities with no clubs the pressure is for money to travel to the nearest alcohol outlet to buy alcohol. Qualitative data suggest that individuals within communities both with and without clubs also experience pressure to provide money to purchase marijuana.

1.6 How the clubs operate

There are differences between the ways in which the seven clubs that were trading at the time of the research operate. However it is the researchers' perception they all provide a pleasant place where community residents enjoy meeting, socialising, playing pool or darts and having a drink. Drinking is undoubtedly the main activity, but the clubs have successful strategies to manage the levels of intoxication and unruly behaviour. There is also some evidence that banning individuals from clubs for a period of time functions to reinforce the need for moderate drinking practices *while they are in the club*. However there is no evidence that this behaviour impacts their drinking habits in other environments. (This research does not attempt to explore this area.)

The clubs have a range of legal and governance structures in place. In several clubs their financial management and governance practices are not transparent, and there is significant community unrest about how decisions are made and what happens with the money made by the club. Because clubs deal with alcohol, and with significant amounts of cash, they can become very powerful institutions within the community. They need to be carefully managed so that corrupt practices do not become entrenched. Incorporation through a legal vehicle with high standards of accountability and support to meet reporting and operating obligations is important.

The way in which clubs are regulated is also important. For much of their history the clubs have been subject to light regulation from the NT Licensing Commission. In effect they were managed in the same way as any mainstream alcohol license is managed until the NTNER in 2007. The uniform regulation introduced then has functioned to

decrease the level of alcohol consumption at the clubs, and the findings from analysis of assault data described above suggest a parallel decrease in alcohol related harms. The other element of regulation comes from the club committee. This study found a range of levels of effectiveness in the management provided through the committees. They noted that one model that appeared to be working well was to outsource club management to a third party, such as the Arnhem Land Progress Association. This enabled the provision of skilled managers whose activities were supervised by a party external to the community.

Recommendations

The research has generated the following recommendations:

1. Shortened hours and a ban on selling full-strength beer should be maintained at existing clubs, and should be a feature of any proposed new clubs.
2. All clubs should consider moving to incorporation under the Corporations (Aboriginal and Torres Strait Islander) Act, 2006 legislation to encourage good governance and the transparent distribution of profits. Immediate steps need to be taken to resolve the legal issues around the distribution of profits to club members and communities.
3. If the number of clubs is increased the NT Department of Business or some other appropriate governmental agency should create a unit that focuses exclusively on licensed clubs in remote Indigenous communities. This unit would have responsibility for *pro-actively* working with the community to ensure that the clubs function responsibly.
4. If a decision to establish a club is made the following checklist should be followed in creating standards for the design, construction and management of it:
 - a. Plans for such a licensed facility should include a range of hot meals as well as entertainment and activity – not just the consumption of alcohol.
 - b. The design of such a facility should demonstrate it will have a kitchen and dining area, as well as a bar area, and should be spacious and able to accommodate small groups of people who may wish to drink separately.
 - c. The design also needs to demonstrate that alcohol will be stored in a highly secure manner that mitigates the risk of being stolen.

- d. The club should be incorporated through a legal vehicle which sets a high standard of governance.
- e. The club committee has access to professional advice over the recruitment and supervision of a manager, and is fully aware of its responsibilities.
- f. That governance training is provided to club committee members and regularly updated. Training on committee requirements under the NT Liquor Act needs to be included in this training.
- g. That as part of the capacity building of the club committee, members learn more about alcohol related matters affecting their community. This could include arranging for the local health service to provide quarterly reports on the level of alcohol related presentations in their community.
- h. The club management should commit to a transparent process for the return and use of profit to their community, and that procedures be established for the fair and equitable distribution of benefits to appropriate groups in the community.
- i. The club committee should agree that the club venture be evaluated after the first two years, and commit funds to undertake the evaluation.

1.7 Conclusion

In essence the clubs in this study offer an environment in which alcohol consumption is effectively managed, and can be seen as a tool for harm minimisation. This is in part because of the NTNER restrictions on trading hours and removal of full strength beer, but also because of the clubs' own rules, management practices and existing licensing conditions. Most of the time patrons do not get unmanageably intoxicated. When alcohol related trouble occurs as a result of drinking at the club, all the clubs have very effective systems of managing the behaviour through rules, security staff and a system of banning people who have broken the rules. This system is also used to control a range of other behaviours (such as not turning up to work) in every community. We note that all of the clubs have developed these systems over time and trial, and they may not be easily replicated.

However the dilemma facing policy makers is not a dichotomy between a dry community where residents don't drink alcohol, and a community with a club where people do drink alcohol. Residents of remote communities access alcohol from a number of outlets – whether they have a club or not. The dilemma is therefore creating policy and regulatory settings that maximise drinkers' access to environments in which their alcohol consumption is managed and harms are minimised.

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