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Media release

THE NIGHT-TIME ECONOMY COULD UNLOCK BILLIONS IN ECONOMIC AND SOCIAL VALUE

The night-time economy is a vital part of NSW's social and economic fabric.

In 2023-24 industries associated with the core night-time economy — including food, drink, and leisure and entertainment businesses that primarily operate between 6pm and 6am — generated more than \$56 billion in turnover.

This activity was delivered across more than 45,000 businesses and directly employed more than 300,000 people in NSW.

Yet the often long, complex, costly and uncertain planning system can be a major barrier for businesses wanting to operate after 6pm.

The report of a review of the night-time economy by the NSW Productivity and Equality Commission, commissioned by the Minister for Music and the Night-time Economy, found it can take around four months and cost around \$30,000 to get a Development Application just to extend trading hours to 11pm.

The Commission heard from stakeholders that finding out they need to apply for a DA is enough to stop people pursuing their ambitions.

To help grow the night-time economy the Commission's review identified 55 recommendations.

Key recommendations include:

- streamlining processes to make it easier to start and grow night-time businesses and to run events after dark
- making it easier for people to get around and enjoy everything the night has to offer
- clearly communicating existing initiatives, like the vibrancy reforms, so businesses and councils know how they can benefit from them.

For example, streamlining liquor licensing and planning approvals for businesses looking to trade later into the night could save \$15 million a year. If this was applied to all businesses seeking these approvals, the total potential saving could be over \$90 million a year.

These ideas complement the NSW Government's already significant reform program, removing barriers holding the night-time economy back from billions of dollars in additional economic activity.

Despite its scale and importance, the night-time economy faces a range of challenges. Many businesses report that it is simply too hard to open or stay open late, with complex and outdated regulations making it costly and time-consuming to operate after dark.

At the same time, NSW consumers cite cost-of-living pressures, limited late-night public transport, and concerns about safety and convenience make it less appealing to go out in the evening.

People are willing to travel across Sydney to places like Newtown because they know they'll find a diverse mix of great quality restaurants, shops and entertainment – and this helps sustain the businesses. By making it easier for innovative new and growing businesses to open and thrive, we can help more neighbourhoods across NSW achieve this kind of 'vibrancy cycle'.

The report also highlights the broader benefits of a vibrant night-time economy: it supports local jobs, attracts visitors, boosts cultural life, and helps build safer, more connected communities.

The NSW Productivity and Equality Commission's *Review of regulatory barriers impeding a vibrant 24-hour economy* report is available here: <https://www.productivity.nsw.gov.au/review-of-regulatory-barriers-impeding-a-vibrant-24-hour-economy>

Quotes from Peter Achterstraat AM, NSW Productivity and Equality Commissioner:

"We've heard that since COVID, a lot of people find it easier to stay home and play video games than going out and mixing with people.

"I'm worried that this 'slouch on the couch' attitude is reducing productivity, harming social connection and could also cause long-term mental health issues.

"I'd like to encourage individuals and groups, whether work colleagues, sporting teams, or faith-based groups, to make a concerted effort to regularly go out and enjoy what the community has to offer. It would be good to dedicate the first Friday of every month as 'Friday Night Live'.

"People are missing out on the benefits of new and growing businesses because unnecessary and cumbersome rules make change too costly.

"These barriers should be addressed because a vibrant, safe and growing night-time economy is crucial for both social and economic reasons.

"It enhances the quality of life for residents and visitors by offering a diverse range of leisure and cultural activities.

"For the NSW economy, it makes our towns and cities the kind of places people want to visit, helps us attract and retain productive workers, and supports an ecosystem of local businesses and jobs."

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