THE VICTORIAN BROTHEL OWNERS' PERSPECTIVE

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Although the members of the Victorian Brothel Owners' Association are legal, this is not a position of comfort. Brothel owners were encouraged to believe legality would bring respectability, business certainty, prosperity and growth. We responded to the call and tried our best to bring our business into line, but those efforts have now proven unwarranted, as shall be demonstrated in this paper. The legal industry has become a scapegoat; we are subjected to the indignity of having the blame for all shortcomings heaped at our doorstep.

The Planning (Brothels) Act 1984 that proclaimed correctly-zoned brothels legal was a fine Act in theory but was fatally flawed in its execution. Through its failure to have all the sections of the Act proclaimed, the Victorian Labor Government was unable to deliver a finished product. Brothel owners now have higher cost pressures and even more competition from a burgeoning illegal industry that has none of the restrictions which are imposed on legal businesses. The partly proclaimed Act has succeeded in disappointing everyone as it only covers 25 per cent of the sex industry in Melbourne. Local government councils resent the power of the Administrative Appeals Tribunal. Labor politicians resent Liberals for opposing parts of the Act.

The police are now presumed to have less reason to intrude upon brothel premises at will, resulting in a great reduction in manpower in the Vice Squad. Consequently, they do not have the resources to crack down on the unregistered places that still operate. The estimate of the total annual turnover of the entire sex industry in Victoria is $150-200 million minimum. We would suggest any industry with that sort of turnover in ordinary circumstances would definitely have some serious consideration from the government (for example, TABs, liquor outlets, and so on).

Delegations and deputations from Singapore, Queensland, Adelaide and New South Wales have inspected the Victorian model of the sex industry. They go away shaking their heads and turn their backs on the 'Victorian experience'. The delegations are being shown some of our worst examples. We ask that these delegations be introduced to the Victorian Brothel Association and taken on a tour of the range of standards that now exist.

Legal brothels have come under enormous financial pressure—all sixty-four of them—as of 29 April 1991. Taxation, health regulations, Workcare, payroll tax, insurance and a myriad of other charges have conspired to make legal brothels marginal economic units.

Legalisation introduced trading hour restrictions, room controls and a cap on the number of employees that could be on the premises at any one time. This has created a
situation where there are sixty-four permits, an estimated 6000 sex workers in Melbourne and only 2000 sex workers are required in legal brothels. The remaining 4000 sex workers are now seeking employment within the illegal sex industry where there are no health restrictions, age restrictions or working permit restrictions. Illegal brothels, massage parlours and hand relief joints have been allowed to trade with impunity. They have no advertising restrictions like the legal brothels and, consequently, can blatantly entice members of society into the industry. Times of recession are times when desperate measures are resorted to. Therefore, a well-worded advertisement in the daily newspaper attracts the unsuspecting 16 to 18-year-old worker to the sex industry. Carrying only a fraction of the overheads, opening on demand, asking their staff no questions about age, filling in no taxation forms—these low cost, cheaply set-up alternatives are a serious threat to legal brothels and are the reason why the law was introduced initially. It seems the law enforcement agencies have allowed them to flourish.

When various governments introduced socially revolutionary legislation in the past, the law enforcement agencies were moved to enforce compliance. TAB legislation saw most SP bookies forced out of business. Liquor licensing breaches are treated very seriously. But in the realm of the sex industry, enforcement is a joke. The Melbourne Vice Squad is rarely staffed by more than three or four officers. There are token visits, but all too often complaints about the 'illegal' traders end up in the 'too hard' basket. Police claim obtaining evidence is too difficult and time consuming—this could have been no more difficult than removing the above mentioned SP bookies with their 'v phones' and other anti-surveillance devices.

There appears to be no effective policing of the Act in Victoria, and there is little or no pressure on the police to change, other than that pressure which comes from legal owners. Periodic bursts of activity may frighten but they will never quell the enthusiasm of the under-capitalised entrepreneur who wants to get his own massage business up and running.

It is unfortunate that the Prostitutes' Collective of Victoria (PCV) has a woeful reputation with brothel owners. We feel that they could be a valuable force in educating the industry, but as yet we are not working closely together at all. There are still too many groups, such as the police, who by necessity dwell on the fringe of the industry and lack any real understanding of how a brothel operates. They are however, influential in shaping opinions. Preconceived notions are reinforced.

The legal brothels, via their association—Victorian Brothel Association (VBA)—should be consulted by all parties with an interest in law reform or changes to working conditions, so that more effective regulation can result. The Victorian Brothel Association would simply ensure inspection of as wide a range of premises as possible was undertaken, thus allowing any visitor the freedom to make up their own mind.

Advertising is the only method for launching a new business. While those operating legally in the sex industry are prevented from advertising for staff to work in a brothel and are restricted in the content or size of an advertisement, the illegal sex industry knows no such constraints. Legal sex industry advertisements are still not acceptable to the daily press which has no qualms in accepting quite explicit material for 0055 and phone-sex services. Advertising, if it is to be restricted, should be restricted to all practitioners including escort agencies, strip agencies and massage shopfronts.

There are some positives. We have an industry magazine called The Shopper. We have an Association, in spite of the law telling us we are not allowed to associate. Insurance premiums are coming down. The industry reputation for torching every brothel in sight has been proven to be a furphy, with only one claim made in six years. Corruption is not rampant. Police relations are improving and the Victorian Brothel Association has tackled the vexed question of taxation head on and achieved some accord with the Australian Taxation Office.
But problems do exist and we are not ignoring them. We would like to see a review of the present position before we go ahead and proclaim the balance of the Act or before we make any other changes. Not only will we then achieve commercial success but we will also be a significant contributor to important social change in the 20th century.

The Victorian Brothel Association does not want the rest of the Act proclaimed until it has been reassessed by a committee which has representatives from all aspects of the industry—both positive and negative. A simple example of how the industry could be controlled is by introducing a registration system which would work in this manner—as we have sixty-four permits, any person wishing to work in these legal places could do so without having to register. Any person wishing to work for themselves must register, thus stopping the mushroom effect we are seeing all around Victoria as we speak. This would also help the government departments relevant to our industry—such as the Health, Planning and Tax Departments—to monitor the industry more successfully.

The VBA believes that any business wishing to operate outside the proclaimed Act must register with a government body before they can advertise. In other words, before they can open for business. This simple procedure would not be a high cost to society, yet would encourage the control of the present large grey area by allowing a monitoring system to have full control of all prostitution in Victoria.