Public Health Association of Australia
submission on the South Australian Liquor Licencing Discussion Paper

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Introduction

The Public Health Association of Australia

The Public Health Association of Australia Incorporated (PHAA) is recognised as the principal non-government organisation for public health in Australia and works to promote the health and well-being of all Australians. The Association seeks better population health outcomes based on prevention, the social determinants of health and equity principles. PHAA is a national organisation comprising around 1900 individual members and representing over 40 professional groups.

The PHAA has Branches in every State and Territory and a wide range of Special Interest Groups. The Branches work with the National Office in providing policy advice, in organising seminars and public events and in mentoring public health professionals. This work is based on the agreed policies of the PHAA. Our Special Interest Groups provide specific expertise, peer review and professionalism in assisting the National Organisation to respond to issues and challenges as well as a close involvement in the development of policies. In addition to these groups the Australian and New Zealand Journal of Public Health (ANZJPH) draws on individuals from within PHAA who provide editorial advice, and review and edit the Journal.

In recent years PHAA has further developed its role in advocacy to achieve the best possible health outcomes for the community, both through working with all levels of Government and agencies, and promoting key policies and advocacy goals through the media, public events and other means.

Preamble

The PHAA welcomes the opportunity to contribute to improving South Australia’s liquor licensing framework. The review of the Liquor Licensing Act provides an important opportunity to strengthen the Act to more effectively prevent and reduce harm from alcohol in the SA community.

We note that there has not been a comprehensive review of the Liquor Licensing Act in almost 20 years. In that time, there has been very substantial developments in alcohol policy-relevant research, in Australia and elsewhere, and we are fortunate to have access to strong evidence for what works to prevent and reduce harm from alcohol. We believe this evidence should play a key role in informing the government’s approach to strengthening the Liquor Licensing Act. We summarise key areas of the evidence in our submission and attach the PHAA’s alcohol policy for further information.

Submission Summary

Background

We strongly urge that any changes to the liquor licensing framework prioritise the health and safety of all South Australians and should ensure that public health has clear priority over the commercial interests of the alcohol industry. We believe that the prime and clear focus of the South Australian Liquor Licensing Act 1997 (the Act) should be on preventing harms caused by alcohol and minimising the impact of alcohol problems in our community.

Community health and safety should not be compromised in order to reduce ‘red tape’ or increase ‘vibrancy’.
Alcohol is a major cause of myriad health and social problems, crime, violence, road crashes, and other direct and indirect forms of social disruption and its consequences are felt by users and many others in the community. The costs of alcohol to the community, from healthcare to law enforcement to a range of intangible costs are also substantial.

**Comprehensive approach**

In composing this response we have noted the public health contributions to reviews of liquor laws in other jurisdictions and the [PHAA 2013 submission to the SA Liquor Licensing reform](#).

Through liquor licensing laws, state governments have substantial ability to control availability and access to alcohol, including where, when and how alcohol may be sold and consumed. As we will cover in more detail below, appropriate controls on the availability of alcohol are an essential component of the comprehensive approach needed to effectively prevent and reduce harm from alcohol. We caution against changes to the Act that would increase the overall physical or economic availability of alcohol. We recommend that careful consideration be given to the potential for any proposed changes to the Act to lead to the increased availability of alcohol, and urge action be taken to prevent this where the potential is identified.

**Our vision for the Liquor Licensing Act**

A Liquor Licensing Act that

- holds preventing alcohol-related harm in the SA community as its highest priority;
- is based on the principle that alcohol is a commodity with great potential to cause harm; and
- is evidence-based and pro-active in preventing alcohol-related harm.

**Levels of alcohol use in SA and Australia are cause for concern**

The most recent data from 2013 indicates that 79.5% of South Australians had consumed at least one full serve of alcohol in the last 12 months. The national percentage was 78.3%. Whilst current data suggests that the percentage of Australians who drink on a daily or weekly basis may be declining, there is still cause for concern as the number of people in South Australia engaging in risky drinking practices is too high.

In 2014 13.4% of South Australian adults consumed more than four standard drinks on a single occasion which increases the risk of alcohol related injury on that occasion, and 34.6% of South Australian adults drank at levels which increased their lifetime risk of alcohol related diseases.

There is even more cause for concern for young people in South Australia: 21.4% of 18-39 year olds drink at levels that increase risk of alcohol related injury, compared to 4.1% of those aged over 60 years; 48.7% of 18-39 year olds drink at levels of increased lifetime risk of harm from alcohol related disease compared to 16.3% of those aged 60 years and over.

In addition, harm from alcohol is more prevalent in men compared to women: 20% of men compared to 7.1% of women have an increased risk of alcohol related injury; 45.7% of men compared to 24.2% of women have an increased risk of harm from alcohol related disease, based on 2014 data.
Specific Feedback

Reducing Red Tape
We are aware that the SA Government has expressed interest in reducing “red tape” associated with liquor licensing. However, it is vitally important that good process and appropriate community protections are not dismissed as “red tape”. Effective regulation is critical to increasing community health.

We accept that many licensees and groups in related industries conduct their business in a responsible manner. However, this is not universal and the ability to sell alcohol is a privilege, not a right. Liquor licensing laws and processes must ensure that applications are appropriately scrutinised and that the health, safety and wellbeing of the community has priority over commercial interests of the alcohol industry. It would be counterproductive if changes to reduce ‘red tape’ for the alcohol industry were associated with additional burdens on police and health resources by increasing the potential for alcohol harms. With its commensurate ramifications for emergency departments in hospitals, community social services and long term health costs.

Competition policy and liquor regulations
The discussion paper summarises selected recommendations of the Competition Policy Review (e.g. p7 of the discussion paper). In the context of liquor licensing, it would be appropriate to highlight other aspects of the Final Report of the National Competition Policy Review. For example, the Final Report recognised:

- The risk of harm from alcohol provides clear justification for regulating alcohol;
- The concerns expressed by the PHAA and others about any relaxation of restrictions on the sale of alcohol;
- That alcohol is not an ordinary product and, given it causes significant health and social harms, should be treated differently to products such as washing powder and breakfast cereals;
- That the promotion of competition should not trump other legitimate public policy considerations, such as harm minimisation;
- The rights of state and territory governments to be able to restrict trading hours and/or set planning and zoning controls relevant to their jurisdiction through their liquor licensing and planning laws;
- The importance of harm minimisation as an objective of liquor licensing legislation in Australia; and
- The public interest in minimising harm from alcohol should be given proper weight as part of any review of liquor regulations.

It is our position that the sale of alcohol should be exempt from National Competition policy. Our view has been outlined in a submission to the Competition Policy Review Draft Report – see Appendix A.

On the basis of the weight of scientific evidence about the magnitude of harms related to alcohol and the effectiveness of controls on the physical and economic availability of alcohol, there is a clear justification for comprehensive liquor licensing regulations to prevent and reduce health and social harms from alcohol.

Community representation in liquor licensing processes is important
We support the need for appropriate opportunities for community members to participate and be represented in liquor licensing processes. We note that on page 17 of the Liquor Licensing Discussion Paper it is stated, “An objection to a liquor licence from a member of the public can cause unnecessary delay for the business owner...”. We believe this represents a narrow view which does not give due consideration to the value of community representation on issues that directly affect community safety and wellbeing. Community representation in liquor licensing processes, including via an objection to a liquor licence,
should not be considered as an ‘unnecessary delay for the business owner’. Liquor licensing processes should provide for meaningful community access and participation. Liquor licensing processes may have a number of barriers to effective community participation, for example: the requirements for applicants to inform communities of licence applications may be inadequate, community understanding of licensing processes may be limited, community members may have limited access to support to express their concerns, the resources available to support applicants in applying for a licence may be far greater than those available to community members, and the processes may be lengthy, inflexible or complex. We urge the review to ensure the Act and how it is administered provides for appropriate community representation and that any existing barriers to community access and participation are comprehensively addressed.

A safer drinking culture
The minimisation of harm from alcohol should be the clear priority for the review of liquor licensing laws. There is potential for approaches which support the health and safety of the community to impact positively on the liquor and related industries. For example, effective monitoring and enforcement of the Act would have benefits for the liquor and related industries, as well as the community. When implemented as part of a comprehensive approach to prevent harm from alcohol, liquor restrictions can support increased tourism by attracting visitors through improved community safety and public amenity. Public safety and order is an incentive to tourism.

Reducing liquor trading hours is an evidence-based measure to reduce harm
Evidence from Australia and overseas has consistently demonstrated that increased liquor trading hours are associated with increased alcohol-related problems, including violence in and around premises, violent crime and impaired driver road crashes. Conversely, earlier closing times have been associated with less alcohol-related harm, and restrictions on the trading hours of alcohol have been associated with reduced levels of alcohol-related problems. A review of the available international literature on the public health and safety impacts of changes to liquor trading hours for on premise consumption suggested that extended late-night trading hours lead to increased alcohol consumption and related harms such as violence.

Hobday and colleagues (2015) investigated the combined effects of alcohol sales, outlet numbers and trading hours on alcohol-related harms in Perth, WA. Their findings included: “Compared to an additional on-premises outlet with standard trading hours, the risk of alcohol-related injury associated with venues operating with extended trading hours was substantially larger. This is consistent with research by Chikritzhs & Stockwell, which showed that late trading hotels had significantly higher levels of violence and associated road crash injury. Thus, higher densities of on-premises outlets trading with extended hours present a particularly high risk of injury.”

Evaluations of changes to liquor trading hours in Newcastle, NSW have provided valuable evidence regarding the effectiveness of reducing liquor trading hours to reduce harm from alcohol. Closing times of licensed premises in Newcastle were brought forward from approximately 5am to 3am and a number of other trading restrictions were imposed. The outcome was a one-third reduction in assaults in the 18 months following the restrictions, and there was no displacement of problems to other times or locations. Further evaluations have shown that the assault rates in the Newcastle CBD have remained lower. The Newcastle experience is consistent with other evidence and is useful in informing approaches to liquor trading hours in other jurisdictions.

We strongly caution against changes to the Act that would increase liquor trading hours. We strongly support amendments that would reduce liquor trading hours, consistent with a large literature of Australian and international evidence.
Alcohol should not be sold in supermarkets
To reiterate our previous feedback, the PHAA strongly opposes the sale of alcohol in supermarkets as this will significantly increase the access and availability of alcohol in the community, both in physical and economic terms. Substantial evidence from Australia and elsewhere shows that increasing access and availability of alcohol leads to increased rates of alcohol related harm in the population. From a public health perspective, any moves to increase the availability of alcohol through supermarkets, or elsewhere, would be of great concern. We responded to this issue in detail in the PHAA SA submission to the 2013 Liquor Licensing Reform Consultation regarding the proposed sale of wine in supermarkets, attached as Appendix B.

Secondary supply laws would make an important contribution to reducing underage access to alcohol
In accordance with the NHMRC guidelines for reducing the health risks from alcohol drinking, for children and young people under 18 years of age, not drinking alcohol is the safest option. Almost all other jurisdictions in Australia now have secondary supply laws, restricting the provision of alcohol to minors without parental permission. South Australia has fallen behind on limiting secondary supply and we urge the SA Government to implement secondary supply laws at the earliest opportunity. Secondary supply laws support the important role of parents in protecting their children from alcohol harms and in setting important community standards about not supplying alcohol to underage young people. Secondary supply laws would make an important contribution as part of comprehensive approach to reducing underage access to alcohol and preventing harm from alcohol.

Changes in the off-premise liquor sector have implications for alcohol harms
We have particular concerns about the physical and economic availability of packaged liquor. Packaged liquor accounts for a very large proportion of alcohol consumed in Australia; over 75% of all alcohol in Australia is bought as packaged liquor for off-premises consumption. The packaged liquor landscape in SA, and Australia more broadly, has changed in recent years. There appears to be a growing focus on large-scale warehouse-style discount ‘liquor barns’ that have the capacity to sell many times more alcohol than traditional liquor stores and at much cheaper prices.

Results of a WA study showed that the more alcohol sold per packaged liquor outlet (off-premise), the greater the risk of reported assault within the surrounding community – it was the volume of alcohol sold that had the greatest impact on assaults occurring in homes within the surrounding community. It was found that alcohol sold by off-premise outlets (packaged liquor) was associated with increased interpersonal violence occurring in residential settings, on-premise outlets (e.g. bars and pubs) and ‘other places’, including in the street. As domestic settings are a likely place for consuming alcohol purchased from off-premise outlets, they are a likely location for violence associated with off-premise alcohol purchases to occur.

A Victorian study identified that increased density of packaged liquor outlets was associated with increased prevalence of very high-risk drinking among the young people aged 16-24 years in the study. The results suggested that an increase of one packaged liquor outlet in a postcode with 200 very high-risk young drinkers (from a total population of 1000 young people) would be expected to be associated with an increase of approximately 6 additional young people drinking at very high-risk levels.

Hobday and colleagues suggest that “readily available low-cost alcohol may encourage drinking in the home rather than at hotels where alcohol is more expensive”. It could be expected that the harm related to packaged liquor is likely to occur away from the packaged liquor premises (e.g. bottle shops), and may be less visible than harms associated with late-night city entertainment precincts which tend to attract the attention of policy-makers, the media and the community. Less visible harms, such as domestic violence and chronic diseases associated with long-term alcohol use, should be considered in liquor licensing processes, particularly in regard to off-premise licences.
Outlet density must be considered in liquor licensing processes
It is the PHAA position that there is a need for national guidelines on alcohol outlet density and opening hours in addition to a cohesive policy among liquor licensing agencies, planning departments and local governments on this issue, with legislation and action by government authorities placing a primary focus on public health and safety. This also has significant ramifications for the consideration of allowing supermarkets to sell alcohol.

Collection of alcohol sales data would assist in policy planning and evaluation
We urge the SA Government to commence the collection of alcohol sales data, in close consultation with the National Alcohol Sales Data Project (NASDP)\(^2\). The NASDP aims to “construct an ongoing, regularly updated, national database of standardised alcohol sales data, which includes all Australian states/territories” [p10].\(^3\) We encourage the SA Government to actively participate in the NASDP and collect alcohol sales data based on the NASDP minimum data collection specifications.

Robust measures of alcohol consumption are essential for the development of effective evidence-based policy responses to alcohol-related harm. Alcohol sales data are considered to be the best indicator of alcohol consumption at a population level as they are not susceptible to the errors inherent in self-report surveys,\(^4\) and can be used to identify patterns of consumption of different beverage types.\(^5\)

Alcohol sales data are important for monitoring trends in per capita alcohol use\(^6\), studying relationships between changes in per capita consumption and population health outcomes, providing a benchmark to assess the reliability of survey estimates of consumption\(^7\) and evaluating interventions to reduce alcohol-related harm.\(^8\)

Local-level alcohol sales data should be made available to genuine independent researchers and in policy planning to improve the evidence base for alcohol policy, the evaluation of policy initiatives and the monitoring of alcohol indicators in SA.

State and federal governments should work together to reduce harm from alcohol
State and federal governments need to work together to encourage the implementation of evidence-based strategies to reduce harm from alcohol (for example regulation of alcohol price and reforms to the alcohol taxation system to reduce harmful consumption).

Vibrancy
Alcohol should not be the focus of strategies to increase vibrancy in SA
We welcome genuine approaches to support the vibrancy of SA; however, it would be very disappointing, and would reflect an overly simplistic and misguided view, if ‘modernising’ the liquor licensing framework or ‘creating vibrancy’ was seen as analogous to increasing the availability of alcohol in the community. We support diverse activity options and innovative ideas which do not have alcohol as their central feature, to reflect the diversity of ages, cultural backgrounds and interests of the community.

Small bars may be associated with lower risk but their cumulative impact should be considered
There is much commentary about small bars increasing vibrancy by encouraging more people to come into the CBD. Whilst this may be the case, there are a number of other considerations that need to factor in before increasing the number of small bars in the CBD, or expanding small venue licenses to outside the CBD.

While an individual small bar may well present a lower risk in terms of alcohol-related harm than a large capacity hotel or nightclub, the actual level of risk will depend on how and within what context the small bar operates.
The cumulative impact of multiple small bars or a combination of small bars and other types of licensed premises in an area must be considered. The reality is that a small bar does not operate in isolation, and may contribute to the clustering of liquor outlets or further contribute to the availability of alcohol in an area. As with other types of licences, there is also the potential for problems once people leave the small bar, for example, disorder and reduced amenity.

Small bars have not yet been the focus of policy-relevant research. It is too early to know the real impact of small bars on alcohol-related harms in SA. However, there is sufficient evidence from other jurisdictions\(^2\) to warrant a cautious approach towards small bars and as such, to maintain the existing approach to requirements for applying for a small bar licence, maximum patron numbers and trading hours. Policy approaches to small bars should not support a proliferation of small bar licences. Further research is needed to develop a comprehensive understanding of the impact of small bars on alcohol use in Australia.

**Conclusion**

Population level approaches to preventing harm from alcohol should be a clear focus of the review of the Act and the resulting recommendations. There is a need for population level approaches to preventing harm from alcohol. A concerning proportion of the Australian population consume alcohol above the National Health and Medical Research Council guidelines to reduce health risks from drinking alcohol. Drinking at risky levels is therefore clearly not a minority problem in SA; rather, it is a whole-of-population issue which requires a comprehensive suite of population level approaches to effectively prevent harm.

In summary the PHAA South Australian Branch and National Office:

- Recommend that any amendment to the Act adopt a pro-active, evidence based approach to preventing harm from alcohol by acknowledging the strong and consistent evidence for reducing the availability of alcohol and focus amendments to the Act on reducing, not increasing, the availability of alcohol.
- Caution against changes to the Act that would increase the overall physical or economic availability of alcohol, including opening up new retail opportunities for alcohol in supermarkets or increasing the density of alcohol outlets through the proliferation of small venues.

Please do not hesitate to contact me should you require additional information or have any queries in relation to this submission.

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3 Auditor General Western Australia. Raising the Bar: Implementing key provisions of the Liquor Control Act in licensed premises, 2011


11 Chikritzhs T., Stockwell T. The impact of later trading hours for hotels on levels of impaired driver road crashes and driver breath alcohol levels. Addiction 2006; 101: 1254–64.


16 National Health and Medical Research Council. Australian guidelines to reduce health risks from drinking alcohol.


