Submission on the need for a nationally-consistent approach to alcohol-fuelled violence
The Foundation for Alcohol Research and Education (FARE) is an independent, not-for-profit organisation working to stop the harm caused by alcohol.

Alcohol harm in Australia is significant. More than 5,500 lives are lost every year and more than 157,000 people are hospitalised making alcohol one of our nation’s greatest preventative health challenges.

For over a decade, FARE has been working with communities, governments, health professionals and police across the country to stop alcohol harms by supporting world-leading research, raising public awareness and advocating for changes to alcohol policy.

In that time FARE has helped more than 750 communities and organisations, and backed over 1,400 projects around Australia.

The Public Health Association of Australia (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 concerned with the promotion of health at a population level.

The National Alliance for Action on Alcohol (NAAA) is a national coalition of health and community organisations from across Australia that has been formed with the goal of reducing alcohol-related harm.

Currently comprising major organisations with an interest in alcohol and public health, the formation of the National Alliance for Action on Alcohol represents the first time such a broad-based alliance has come together to pool their collective expertise around what needs to be done to address Australia’s drinking problems.

The National Alliance for Action on Alcohol aims to put forward evidence-based solutions with a strong emphasis on action.
Contents

Introduction .................................................................................................................................................. 4
List of recommendations .............................................................................................................................. 6
a) Current status of laws relating to liquor licensing ..................................................................................... 8
   i) including the effectiveness of lockout laws and alcohol service laws ..................................................... 8
   Harm minimisation ........................................................................................................................................... 8
   Trading hours ................................................................................................................................................ 9
   Other measures .............................................................................................................................................. 10
b) The effectiveness of the current state and territory: ............................................................................... 12
   i) training requirements of persons working within the hospitality industry and other related
      industries, and ............................................................................................................................................... 12
   ii) educational and other information campaigns designed to reduce alcohol-related violence ......... 13
c) Viability of a national strategy to ensure adoption and delivery of the most effective measures,
   including harmonisation of laws and delivery of education and awareness across the country, and
   funding model options for a national strategy ............................................................................................ 15
d) Whether a judicial commission in each state and territory would ensure consistency in judgments
   relating to alcohol-related violence in line with community standards ................................................. 16
e) Any other matter ......................................................................................................................................... 17
   Pricing and taxation ...................................................................................................................................... 17
   Alcohol advertising and sponsorship .......................................................................................................... 18
   Availability and competition policy .......................................................................................................... 20
   Data collection ............................................................................................................................................... 21
   Alcohol industry influence ......................................................................................................................... 22
   Community support for government action ............................................................................................... 23
References ..................................................................................................................................................... 24
Introduction

The Foundation for Alcohol Research and Education (FARE), the Public Health Association of Australia (PHAA) and the National Alliance for Action on Alcohol (NAAA) welcomes the opportunity to provide a submission to the Senate Inquiry into the need for a nationally-consistent approach to alcohol-fuelled violence. This inquiry is important because it highlights the ad hoc approach Australia has taken in its efforts to reduce alcohol harm despite long standing recognition of a significant problem in this country.

Alcohol-related harm, however, extends beyond alcohol fuelled violence and entertainment precincts. Alcohol is a toxic substance that has the potential to cause significant harm in both the short and long term. This harm affects not only the individual but also those around them.

Alcohol is associated with more than 200 health conditions including strokes, ischaemic heart disease, cancers, liver cirrhosis, respiratory diseases and sexually transmitted infections and if consumed during pregnancy, can lead to Fetal Alcohol Spectrum Disorders (FASD) in the developing foetus. Alcohol is also responsible for short-term harms and is associated with road traffic accidents, suicide, homicide, alcohol poisoning, injury and violence.

Alcohol also contributes to significant harm to people other than the drinker. In addition to violence associated with pubs clubs and bars, these harms include acts of violence in our homes, child maltreatment and neglect, and lost productivity. As a result of other people’s drinking, there are more than 360 deaths, 14,000 hospitalisations and more than 70,000 victims of alcohol-related assault in Australia each year.

The combined cost of both the harms from alcohol to individuals and those incurred on people around the drinker has been estimated as high as $36 billion annually.

Alcohol harms affect all Australians regardless of their socioeconomic status, ethnic grouping, age or gender although some populations and communities are at higher risk. For example, young people experience a higher proportion of alcohol-related harms as a result of risky consumption, with one Australian teenager dying and more than 60 being hospitalised each week from alcohol-related causes. Aboriginal and Torres Strait Islander peoples are 7.5 times more likely to die from alcohol-related causes than other Australians.

The most effective strategies to reduce alcohol harm are well known. They are:

- increasing the price of alcohol
- reducing its availability
- addressing alcohol advertising and sponsorship.

A comprehensive, coordinated and consistent approach by governments incorporating these three strategies will see significant reductions in the levels of harm currently being observed. These are cost effective strategies that can be easily introduced and sustained.

The Australian people support action by governments to reduce alcohol harm and want governments to do more. Three quarters (75 per cent) of Australians believe that Australia has a problem with

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a FASD is a lifelong condition characterised by brain damage, cognitive, social, emotional and behavioural deficits.
excess drinking or alcohol abuse, and 78 per cent are most concerned about alcohol-related violence. Other key concerns relate to alcohol-related road traffic accidents (77 per cent) and child abuse and neglect (64 per cent). The majority (71 per cent) of Australians believe that alcohol-related problems in Australia will either get worse or remain the same over the next five to ten years and only 19 per cent believe the government is doing enough to address alcohol-related harms. These are compelling statistics.

Despite governments recognising that Australia has a problem with alcohol, the availability of very effective strategies to reduce harm and the support of the community, governments still seem reluctant to introduce the strategies that will have the biggest impact. This needs to change. Australia cannot afford to tinker around the edges any more. The lives of our families and friends are at risk.

**This submission**

This submission will look at particular elements of the Terms of Reference that fall within the expertise of FARE, PHAA and NAAA. Specifically, it will address the following Terms of Reference:

a. Current status of laws relating to liquor licensing  
   i. including the effectiveness of lockout laws and alcohol service laws

b. The effectiveness of the current state and territory:  
   i. training requirements of persons working within the hospitality industry and other related industries, and
   ii. educational and other information campaigns designed to reduce alcohol-related violence

c. Viability of a national strategy to ensure adoption and delivery of the most effective measures, including harmonisation of laws and delivery of education and awareness across the country, and funding model options for a national strategy

d. Whether a judicial commission in each state and territory would ensure consistency in judgments relating to alcohol-related violence in line with community standards

e. Any other matter
List of recommendations

The Foundation for Alcohol Research and Education (FARE), the Public Health Association of Australia (PHAA) and the National Alliance for Action on Alcohol (NAAA) recommend that:

1. The Inquiry recommend that the Council of Australian Governments adopts harm minimisation as an underlying principle of action.

2. The Inquiry recommend that the Council of Australian Governments establish minimum standards for alcohol-related legislation and policies for all states and territories relating to:
   i. prioritisation of harm minimisation in liquor licensing legislation over all other objects of the Act
   ii. a reduction in trading hours so that all venues licensed to sell alcohol for consumption on the premises cease serving alcohol at no later than 3am
   iii. a reduction in trading hours so that all venues licensed to sell alcohol for consumption off the premises cease sales at 10pm
   iv. the introduction of a risk based licensing system that takes into consideration the type of licence, trading hours, venue capacity, location of licence and history of compliance
   v. strengthening of provisions relating to alcohol advertising and promotion to restrict practices and behaviours that encourage harmful consumption of alcohol.

3. The Inquiry recommend that there is national consistency between states and territories in the content and delivery of Responsible Service of Alcohol courses that is based on best practice.

4. The Inquiry recommend that all staff in licensed venues who have direct contact with patrons, including but not limited to bar staff, should receive training in Responsible Service of Alcohol so they have an understanding of the issues and risks and can better support the venue in managing alcohol service.

5. The Inquiry recommend that states and territories enhance compliance and enforcement activities in relation to the Responsible Service of Alcohol.

6. The Inquiry should recommend that education programs in states and territories should be introduced as part of a broad based strategy to reduce alcohol harm and be based on the evidence of what works, implemented comprehensively, provided with adequate and sustainable funding, and evaluated to assess effectiveness and areas for improvement.

7. The Inquiry recommend that a national alcohol strategy is developed that compels state and territory governments to implement key measures related to price, availability, advertising and promotion.

8. The Inquiry recommend that as a matter of urgency, the Australian Government reforms the alcohol taxation system to introduce a volumetric tax for wine and related products.

9. That the Inquiry recommend that a minimum unit price for alcohol is introduced to stop the extreme discounting of alcohol.

10. The Inquiry recommend that the Australian Government phases out alcohol advertising, commencing with the removal of alcohol advertising from times and placements which have high exposure to young people aged up to 25 years.
11. The Inquiry recommend that the Australian Government abolishes the Alcohol Beverages Advertising Code (ABAC) and establishes an independent regulatory body that is free of alcohol industry involvement and introduces alcohol advertising regulation that is mandatory, covers all alcohol marketing activities, includes penalties for non-compliance and is transparent and accountable.

12. The Inquiry recommend that the Australian Government develops guidelines on the changes to Competition Policy and that this should clearly identify that alcohol is a special product and therefore actions taken in the public interest, such as reduced trading hours, can and should be implemented.

13. The Inquiry recommend that the Council of Australian Governments agree to developing nationally consistent data sets that are publicly available to enable a better understanding of the true extent of harm in Australia and to inform the development and evaluation of alcohol policies at all levels of government.

14. The Inquiry recommend that governments at all levels should exclude alcohol industry involvement in the development of policy.
a) Current status of laws relating to liquor licensing

i) including the effectiveness of lockout laws and alcohol service laws

Liquor laws across Australia vary between states and territories. Some consistency is evident in relation to approaches to intoxicated patrons, guidance on alcohol advertising and promotions, banning of patrons and applying penalties for breaches of the Act. However, there is much variation in relation to the prioritisation of harm minimisation within the Act, venue trading hours, assessment of risk, liquor licence fees and secondary supply provisions.

The very existence of these laws recognises that the sale and consumption of alcohol requires regulation in light of its potential to cause harm. This harm from alcohol affects not just the individual drinker but others around them and the community. It recognises that there are costs associated with this harm and that these need to be considered and recovered, if only in part.

The state of liquor laws in Australia is important because these laws play a significant role in reducing harm from alcohol. As such, it is self-evident that these laws should clearly reflect the concerns about alcohol’s potential to cause harm and incorporate the recent evidence on the most effective ways to reduce alcohol harm. This section will primarily discuss the need for harm minimisation to be prioritised within state and territory liquor legislation and the inclusion of reduced trading hour measures to reduce alcohol harm.

Harm minimisation

Harm minimisation is recognised as an important principle for action to reduce alcohol harm and has underpinned Australia’s National Drug Strategy since the launch of its predecessor, the National Campaign Against Drug Abuse in 1985. The National Alcohol Strategy, a sub strategy of the National Drug Strategy, identifies minimising harm in its strategic goal. Despite its inclusion in these important national strategies over decades, governments have so far largely failed to take decisive action to have a substantial and lasting impact on reducing alcohol harm.

In the context of state and territory liquor licensing laws, harm minimisation should be the guiding principle by which liquor legislation operates. Currently, harm minimisation is referred to in the objects of all seven of the Acts where the purpose or objects of the Act are clarified. However, in most cases it competes with other objects and is sometimes subordinate to the purpose of selling and supplying alcohol. Public health advocates argue that while the legislation relates to regulation of the sale and supply of alcohol, the primary objective of the relevant acts should be to do this in a way that minimises the harm from alcohol. On light of this, this submission argues that harm minimisation should be the primary object of the relevant liquor acts in every state and territory in Australia.

The Council of Australian Governments (COAG) has a pivotal role to play in ensuring this occurs. Members of COAG include the Prime Minister, state and territory Premiers and Chief Ministers and the President of the Australian Local Government Association (ALGA), key players in decision making by governments. The aim of COAG is to “promote policy reforms that are of national significance, or which need co-ordinated action by all Australian governments”. COAG should therefore adopt harm minimisation as an underlying principle of action which would mean that governments at all levels

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b Tasmania does not include any objects in its Liquor Act.
would be agreeing to apply this principle in their decision making across all policies. COAG should also establish minimum standards for alcohol-related legislation and policies for all states and territories.

**Trading hours**

At a state and territory level, one of the most effective strategies to reduce alcohol harm is to reduce alcohol’s availability. This can be achieved by regulating trading hours for both on- and off-licence premises. The extent to which trading hours are restricted determines the extent to which alcohol-related harm occurs within that jurisdiction since the availability of alcohol is one of the key drivers of alcohol harm in Australia.

There is strong evidence demonstrating the efficacy of reducing trading hours of licensed venues to reduce alcohol-related harm. According to The National Drug Law Enforcement Research Fund, “[Restricting] trading hours is the most effective and cost-effective measure available to policymakers to reduce alcohol-related harm associated with licensed venues.”

> “for every additional hour of trading, there is a 16 to 20 per cent increase in assaults and conversely, for every hour of reduced trading there is a 20 per cent reduction in assaults”.

Extended trading hours increase the availability of alcohol which is associated with an increase in assault, family and domestic violence, road crashes, child maltreatment and harmful consumption. An increase in trading hours is associated with an increase in harms. Australian and international research demonstrates that for every additional hour of trading, there is a 16 to 20 per cent increase in assaults and conversely, for every hour of reduced trading there is a 20 per cent reduction in assaults.

Research has also shown that alcohol-related assaults increase significantly after midnight. Research by the Bureau of Crime Statistic and Research (BOCSAR) in New South Wales looked at the relationship between alcohol and crime using New South Wales Police records. The study found that the proportion of alcohol-related assaults increased substantially between 6pm to 3am, with the highest rates of alcohol-related assaults occurring between midnight and 3am.

In the same study, alcohol-related assaults were reported by New South Wales police most frequently on Saturday night between midnight and 3am, where alcohol-related assaults accounted for 55.3 per cent of all assaults. The second most frequent time police reported alcohol-related assaults was on a Friday night between midnight and 3am, where alcohol-related assaults accounted for 52.6 per cent of all assaults.

Australia is fortunate to have local examples demonstrating the effectiveness of reducing trading hours in reducing alcohol harm.

**Case Study 1: Newcastle, New South Wales**

In 2008, the New South Wales Liquor Administration Board introduced modest restrictions to 14 hotels in Newcastle including a 3am closing time and 1am lockout. However, these times were later amended to 3.30am and 1.30am following a legal challenge by the licensed premises. Other measures introduced included having a supervisor on the premise from 11pm until closing time and introducing restrictions on the types of drinks that could be sold after 10pm such as banning the sale of shots, more than four drinks to one patron at any one time and mixed drinks containing more than one standard drink of alcohol.
The Queensland Government has shown tremendous leadership in responding to the evidence by recently passing legislation to introduce reduced trading hours on a state-wide basis. From 1 July 2016, all venues that are licensed to sell alcohol for consumption on the premises must cease serving at 2am, unless they are located in a Safe Night Precinct where venues can continue to trade until 3am. Other measures have also been introduced including restrictions on takeaway liquor outlets to trade beyond 10pm, high alcohol drinks and the introduction of restrictions on re-entry (also known as a ‘one-way door’ or ‘lockout’) at 1am at venues in Safe Night Precincts, starting from 1 February 2017.

There is strong resistance to the introduction of reduced trading hours in New South Wales and Queensland which threatens to undermine the legislation in both states. In New South Wales there have been loud calls for the legislation to be revoked and protests organised by the Keep Sydney Open campaign. In Queensland, the Liberal National Party Opposition co-hosted an event in Brisbane’s Fortitude Valley (a key late night entertainment area) with industry based group Our Nightlife Queensland to discuss how to overcome the alcohol legislation.

The loudest voices do not necessarily represent the views of the majority. Polling in both New South Wales and Queensland shows that by far the majority of the population (68 per cent in New South Wales and 74 per cent in Queensland) support the action taken by their governments.
Other measures

The Australian Capital Territory has introduced a risk based licensing (RBL) scheme that calculates licensing fees based on venue type, venue capacity and trading hours. Other factors that can be considered include the location of the venue and history of compliance. The idea is that licensees will pay licence fees that are commensurate with the level of risk associated their venue. The additional revenue generated from such schemes can be used to offset costs associated with administration of the RBL scheme and increased monitoring and enforcement costs.

A review of the impact of the RBL scheme in the Australian Capital Territory has shown that there have been declines in the absolute number of all offences (21 per cent) over the period studied and alcohol-related offences relevant to RBL declined by 25 per cent. Alcohol-related offences decreased in all locations and at all times, however the extent of the reduction varied between different locations.

Restrictions on alcohol advertising and promotion are another key factor in reducing alcohol harm. It is counterproductive to introduce a number of measures to reduce alcohol harm without addressing the key drivers of consumption. While the liquor acts cannot address the broader issue of alcohol advertising by alcohol companies, they can and do address alcohol advertising in licensed venues, and restrict discounted alcohol promotions which make alcohol more affordable and therefore encourage consumption. These vary in their detail and more could be done to strengthen the legislation in some states and territories, especially in Tasmania where there do not appear to be restrictions on advertising and promotional activities in licensed premises.

Other measures play a secondary, but still important, role in reducing harm. While reduced trading hours limit the availability of alcohol, alcohol remains readily available. Additional measures outlined in the various liquor acts are therefore key to minimising harm when consumption occurs, particularly in relation to consumption on licensed venues.

“It is counterproductive to introduce a number of measures to reduce alcohol harm without addressing the key drivers of consumption”.

Measures such as the responsible service of alcohol (RSA) provisions, discussed in the next section, removal of intoxicated patrons, late entry restrictions (known as lockouts or one-way door policies) and restricted service periods (when high alcohol or rapid consumption drinks are not available) contribute further to reducing harm from alcohol. Compliance and enforcement mechanisms and associated penalties have the potential to provide an incentive to licensees to abide by the Act, however these will only be effective if compliance is enforced. A requirement that compliance data be routinely collected and publicly reported would further encourage licensees to comply with the Act.

Liquor licensing laws have a key role in protecting the health and wellbeing of the individual and the community. Differences in laws have an impact on the effectiveness of the regulation in reducing harm. Consistency in liquor licensing legislation that supports reduced trading hours would demonstrate the government is serious about reducing alcohol-related harm and changing the culture of alcohol in this country. Further, it would provide support to, and reduce the pressure on, governments who have already implemented earlier trading hours.
Recommendations

1. The Inquiry recommend that the Council of Australian Governments adopts harm minimisation as an underlying principle of action.

2. The Inquiry recommend that the Council of Australian Governments establish minimum standards for alcohol-related legislation and policies for all states and territories relating to:
   - prioritisation of harm minimisation in liquor licensing legislation over all other objects of the Act
   - a reduction in trading hours so that all venues licensed to sell alcohol for consumption on the premises cease serving alcohol at no later than 3am
   - a reduction in trading hours so that all venues licensed to sell alcohol for consumption off the premises cease sales at 10pm
   - the introduction of a risk based licensing system that takes into consideration the type of licence, trading hours, venue capacity, location of licence and history of compliance
   - strengthening of provisions relating to alcohol advertising and promotion to restrict practices and behaviours that encourage harmful consumption of alcohol.

b) The effectiveness of the current state and territory:

i) training requirements of persons working within the hospitality industry and other related industries, and

All states and territories require that licensees and their staff undertaking responsible service of alcohol (RSA) training. Such programs focus on the attitudes, knowledge, skills and practices of people serving alcohol at licensed venues and aim to prevent intoxication and underage drinking.27

An examination of the current RSA policies reveals variation between states and territories in terms of the types of courses provided, length and content of courses and the duration of the licence. Some states and territories require RSA managers to be on premise for venues trading during late night hours so that they can oversee the operation of staff and patrons. Training in preventing and managing violence in customers should be consistently applied across all states and territories.

A crucial issue with RSA is the question of its effectiveness in preventing intoxication. RSA has been largely ineffective at preventing intoxication at licensed premises due to lack of enforcement. A survey of young adults in 2011 by the Bureau of Crime Statistics and Research (BOCSAR) found RSA applied to very few young people reporting at least one sign of intoxication (such as loss of coordination or slurred speech). Only 7.1 per cent were refused service and only 4.2 per cent were asked to leave the premises.28 Convictions for selling alcohol to intoxicated patrons are also rare, making up a minority of liquor law breaches.29

The effectiveness of RSA is dependent on staff undertaking the appropriate training, being able to recognise the signs of intoxication, following RSA requirements when serving patrons, and enforcement by authorities. Generally, staff have up to three months to undertake RSA training at licensed venues so there is an initial period where new staff may not have undertaken the relevant training but still be serving patrons. The need for venues to keep some sort of record of staff training.
should minimise the extent to which staff continue to serve alcohol without RSA training beyond the three-month grace period. However, regular compliance checks would provide a strong incentive for licensees to ensure that all employees have undertaken the required training.

However, this training is only useful if it is applied fully and consistently by staff. Without appropriate enforcement mechanisms, RSA measures have limited impact on the behaviour of people working in licensed venues and do not reduce alcohol-related harms.\(^\text{30}\)

There are a number of challenges that make it difficult for staff to comply with RSA requirements. These revolve around the environment in which they work, including busy, noisy venues with a high number of customers, pressure to serve people quickly, and pressure from customers. Staff are often serving people in the same age group and sometimes they are serving friends or regular customers which can place them in a difficult position. Patron behaviour may reflect their own drinking habits which presents a conflict for staff. One of the key barriers to RSA relates to concern over a confrontation with patrons. Other concerns relate to lack of confidence in being able to identify intoxication, venue management, lack of industry knowledge and experience, the risk of reduced profits for the venue, risk of bar staff losing tips over the evening and a lack of perceived risk associated with compliance in terms of legal action or civil liability.\(^\text{31}\)

The main issue with RSA is that it is infrequently and inconsistently enforced. Evidence shows that RSA policies are more effective when enforcement is increased.\(^\text{32}\) Research has shown that bar staff refuse service more often when enforcement has increased and also alcohol-related injuries decrease in populations when enforcement of RSA laws is increased.\(^\text{33}\) All staff in licensed venues who have direct contact with patrons, including but not limited to bar staff, should receive training in RSA so they have an understanding of the issues and risks and can better support the venue in managing alcohol service.

These issues need to be addressed if RSA is to truly be effective. The limitations with RSA is that it is a measure that revolves around managing the drinking environment once patrons have entered the premises and is dependent on a number of factors in order to be successful.

**Recommendations**

3. The Inquiry should recommend that there is national consistency between states and territories in the content and delivery of Responsible Service of Alcohol courses that is based on best practice.

4. The Inquiry should recommend that all staff in licensed venues who have direct contact with patrons, including but not limited to bar staff, should receive training in Responsible Service of Alcohol so they have an understanding of the issues and risks and can better support the venue in managing alcohol service.

5. The Inquiry should recommend that states and territories enhance compliance and enforcement activities in relation to the Responsible Service of Alcohol.

**ii) educational and other information campaigns designed to reduce alcohol-related violence**

Reviews of the effectiveness and cost effectiveness of policies and programs to reduce alcohol harm have consistently shown that information and education based programs are some of the least effective strategies to reduce levels of consumption and alcohol harm, particularly in the long-term. While this approach may increase knowledge and change attitudes to alcohol, it does not change behavioural outcomes. Information and education campaigns are generally expensive and vary greatly in their quality. However, it is acknowledged, that as part of a broader strategy to reduce harm, such
programs do have a role to play in raising awareness of the issues and the need for action to reduce harm.

Most alcohol and other drug education programs in Australia have been implemented in school-based settings. The advantages of school-based settings are that educators can deliver the lessons, materials and interact with large audiences while keeping costs low. 34 These programs often face many challenges including that they are not always supported by the evidence, poorly implemented, funded in an ad hoc manner that jeopardises the sustainability of the project, or never evaluated to assess the effectiveness of the program and areas for future improvement. 35

Effective alcohol and other drug education programs for young people have inclusive, interactive teaching strategies that actively engage students in the learning process. 36,37 Such programs are comprehensive and involve whole of school and community support for classroom education messages. Campaigns should also be based on the experiences and interests of the students involved and should be timed so that the intervention starts before experimentation with alcohol and other drug begins and continues as young people mature.

An example of an effective school-based education program is the Drug Education in Victorian Schools (DEVS). A trial of this program commenced in 2008 and ran for three years in 21 high schools in Victoria. 38 The program addressed issues around the use of alcohol, tobacco and illicit drugs (mainly cannabis). The Drug Education in Victorian Schools program is grounded in social learning theory, which suggests that human learning – including alcohol and other drug use – occurs in a social context and is socially learned through modelling, imitating and reinforcing behaviours. 39 This ‘social cognitive approach’ aims to teach young people to avoid using alcohol and other drugs by resisting external pressure from peers, family and the media, and by increasing coping skills. 40,41

Students who participated in the intervention were no less likely to have tried alcohol, however the trial evaluation found that after the program they:

- were more knowledgeable about drug use issues
- communicated more with their parents about alcohol
- drank less and got drunk less
- experienced fewer alcohol-related harms, and
- remembered receiving more alcohol lessons. 42

The Drug Education in Victorian Schools program is now available to all secondary schools in Victoria. 43

Recommendations

6. The Inquiry should recommend that education programs in states and territories should be introduced as part of a broad based strategy to reduce alcohol harm and be based on the evidence of what works, implemented comprehensively, provided with adequate and sustainable funding, and evaluated to assess effectiveness and areas for improvement.
c) Viability of a national strategy to ensure adoption and delivery of the most effective measures, including harmonisation of laws and delivery of education and awareness across the country, and funding model options for a national strategy

There is no national strategy for the prevention and management of alcohol-related harms in Australia. The National Alcohol Strategy 2006-2009 was extended to 2011. An updated National Alcohol Strategy is currently being developed, however the government’s commitment to this strategy is being questioned given that five years have passed since the previous strategy expired. A national alcohol strategy is vital to ensure that government efforts are coordinated and include a comprehensive plan of action that is both evidence-based and cost-effective.

National leadership on this issue is critical if we are to effectively reduce alcohol harm. The Australian Government needs to commit to a comprehensive strategy that addresses the drivers of alcohol harm and prioritises prevention and early intervention activities.

A national strategy should include the most effective strategies to reduce alcohol harms. These are well known and relate to increasing price and taxation, reducing advertising and promotion and restricting access and availability.44,45,46,47,48 The strategy should reflect the latest evidence in support of these measures which have been proven to prevent and reduce alcohol harm. It should include clear targets of how much it intends to reduce alcohol-related harms and outline a plan of action as to how these targets will be achieved.

While the responsibility for action on these priorities rests with different levels of government, albeit with some crossover, a national strategy would provide clear leadership and prioritise reducing alcohol harms across Australia. The Australian Government controls price and taxation levers and regulates advertising and promotion. State and territory governments have the power to address availability of alcohol through trading hours specified in liquor licensing laws.

At a state and territory level, other activities that have the potential to reduce harm include law enforcement, the provision of treatment services, and alcohol and drug education in schools. State and territory governments also have some capacity to control price and advertising through the liquor act by restricting or prohibiting harmful liquor promotions, such as two-for-one drink offers and promotions that encourage the rapid consumption of alcohol or target particular groups.

The challenge for the national strategy as it is being developed is that it has no power to compel states and territories to take particular action. Importantly, any strategy will need to include a range of strategies to address alcohol harm and include regulatory measures as well as other measures to drive change in behaviour. Any national strategy aimed at reducing alcohol harms should ensure that policies are included for reducing alcohol harms that are the responsibility of all levels of Government.

FARE’s response to the consultation on the National Alcohol Strategy raises these concerns and identifies priority areas for action. This response is provided along with this submission for your reference.
Funding for a national strategy can be partly sourced by reforming the alcohol taxation system, and in particular the way in which wine and related products are taxed, through the Wine Equalisation Tax (WET) and accompanying WET Rebate. This will generate substantial revenue for the government which could be used to increase funding to address alcohol harm. Modelling conducted by ACIL Allen Consulting indicates that by reforming the WET, replacing it with a volumetric tax rate based on the alcohol content of wine, and increasing the excise of all products by a minimum of ten per cent would result in an additional $2.9 billion in revenue per year. Actions designed to increase the price of alcohol, reduce availability and ban advertising, discussed in more detail elsewhere in this document, are three of the most cost effective measures to reduce harm.

Recommendation

7. The Inquiry recommends that a national alcohol strategy is developed that compels state and territory governments to implement key measures related to price, availability and advertising and promotion.

d) Whether a judicial commission in each state and territory would ensure consistency in judgments relating to alcohol-related violence in line with community standards

This section will focus on whether the law and related sentencing acts as a deterrent and therefore whether it has the potential to reduce alcohol-related violence.

While the threat of imprisonment is recognised as having a general deterrent effect, an increase in the severity of penalties does not produce a corresponding increase in deterrence. This is because of the variation in the extent to which an individual considers the risks associated with their actions.

An individual’s ability to assess risk is affected by a range of factors and of particular relevance to this Inquiry is the impact of alcohol. Alcohol is a toxic substance that enters the bloodstream and has an almost immediate impact on the body, affecting the brain within five minutes of being consumed. The rate at which alcohol is metabolised varies from person to person depending on factors such as liver size, body mass and composition, and alcohol tolerance. The more people drink and the faster the rate at which they drink, the greater the increase in the level of alcohol in the body and greater the impact on the brain.

As people become increasingly intoxicated, alcohol reduces the brain’s ability to react to stimuli and cognitive function leading to a deterioration in both behaviour and performance. Alcohol increases the likelihood and extent of aggressive behaviour and reduces a person’s capacity to resolve conflicts. This impacts on the person’s judgment and ability to make good decisions and in turn increases the likelihood of physical violence.

In light of the above, it is clear that in terms of deterrence, harsher penalties will not be effective in acting as a deterrent to alcohol-related violence, since a person’s ability to consider the impact of their actions is severely limited when they are affected by alcohol.
e) Any other matter

Alcohol has long been recognised as a significant problem in Australia by governments. A 1977 report from the Senate Standing Committee on Social Welfare noted that alcohol “now constitutes a problem of epidemic proportions”, concluding that in light of the extent of the problem “any failure by governments or individuals to acknowledge that a major problem — and potential national disaster — is upon us would constitute gross irresponsibility.” Yet action so far has failed to include the most effective strategies to reduce alcohol harm. This is surprising given the presence of the three key factors needed to achieve policy reform: recognition by government of the need for action, availability of evidence-based measures to achieve successful outcomes, and community support for change.

In addition to the matters discussed above, the Australian Government must address the drivers of alcohol consumption, namely the affordability, easy availability and prolific advertising that encourages people to consume. State and territory governments need to improve their data collection activities towards nationally consistent data sets that can inform the development and evaluation of good evidence-based policy. All governments must address the influence of the alcohol industry on decision making in light of its negative impact on reducing alcohol harms.

These issues will be discussed briefly below.

Pricing and taxation

There is a wealth of evidence that shows that the price of alcohol is inversely related to overall consumption of alcohol, including at harmful levels. An analysis of 112 international studies found that on average, a ten per cent increase in the price of alcohol reduces consumption by five per cent. Price affected all types of alcoholic beverage consumption across the entire spectrum of consumption and young people have been shown to be especially responsive to price. The significance of these findings is highlighted by the authors who noted that: “We know of no other preventive intervention to reduce drinking that has the numbers of studies and consistency of effects seen in the literature on alcohol taxes and prices.” (p.187)

Two key policies have been developed to address the price of alcohol:

- reforming the alcohol taxation system, and particularly the Wine Equalisation Tax (WET), and
- introducing a minimum (floor) price for alcohol.

These pricing policies have been prioritised because they both have the ability to increase the lowest prices of alcohol. A change to the WET will increase the price of the cheapest alcohol products and return revenue to the Australian Government and community, while a minimum price for alcohol will prevent the harmful and reckless discounting of alcohol by retailers.

Alcohol taxation reform has been analysed for over a decade in Australia with government reviews consistently recommending that the WET be overhauled. Indeed, ten government reviews have recommended that the WET should be replaced with a volumetric tax. In 2009, the Henry Review determined that reforming the WET was a matter of urgency for the Australian Government.

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1 Reviews that have recommended a volumetric tax be applied to wine include:

- the 1995 Committee of inquiry into the wine grape and wine industry
- the 2003 House of Representatives Standing Committee on Family and Community Affairs inquiry into substance abuse
- the 2006 Victorian inquiry into strategies to reduce harmful alcohol consumption
A volumetric tax on alcohol is one of the most cost-effective means of preventing and reducing harmful alcohol consumption.57 Volumetric taxation ensures that all alcoholic products are consistently taxed according to their alcohol content. Differentiated volumetric taxation can influence price in a way that simultaneously encourages the consumption of lower alcoholic products while discouraging the consumption of higher alcoholic products.

Minimum unit pricing is seen as a complementary policy to alcohol taxation reform. Setting a minimum price for alcohol increases the price of the cheapest alcohol products. In addition to countering heavy discounting and loss leading practices by retailers designed to attract customers to their store,58 a minimum price prevents any undermining of the alcohol taxation system, where alcohol producers innovate to avoid higher alcohol taxes, such as the development of beer-based alcopops (including Smirnoff Platinum and Bolt Lager) to avoid the Ready-To-Drink Tax (RTD) following a 70 per cent increase in this tax in 2008.59 Internationally there have been significant developments in progressing a minimum floor price in both England and Scotland.

Both of these policies should be examined when discussing alcohol pricing reform in Australia, as they both serve distinct and different purposes.

**Recommendations**

8. The Inquiry recommend that as a matter of urgency, the Australian Government reforms the alcohol taxation system to introduce a volumetric tax for wine and related products.

9. That the Inquiry recommend that a minimum unit price for alcohol is introduced to stop the extreme discounting of alcohol.

**Alcohol advertising and sponsorship**

Alcohol advertising and sponsorship, like advertising and sponsorship by other industries such as aviation, construction, finance and travel industries, is designed to attract new customers and retain existing customers. Marketing strategies adopted by the alcohol industry include a combination of advertising on television, radio, online, print media, sponsorships of sports, cultural teams and events, product placement, point of sale and other promotions. Marketing also includes the product design, packaging, naming and logos.

It has been estimated that in 2007, alcohol advertising expenditure alone totalled $128 million in Australia. This figure is a significant underestimate because it does not take into consideration the amount spent on alcohol sponsorship or merchandise, nor does it represent the value of all advertising in light of the deliberate development of relationships with consumers online resulting in social media engagement and other activities that exponentially increase the value of the initial investment.

There has also been an increase in alcohol advertising, particularly in print media. Research examining the changes in alcohol product advertising over a 20 year period (1989 to 2009) in two daily

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- the 2009 Australia’s future tax system (Henry Review)
- the 2009 National Preventative Health Taskforce report on Preventing alcohol related harms
- the 2010 Victorian inquiry into strategies to reduce assaults in public places
- the 2011 WA Education and Health Standing Committee inquiry into alcohol
- the 2012 Australian National Preventive Health Agency Exploring the public interest case for a minimum (floor) price for alcohol, draft report
- the 2012 Australian National Preventive Health Agency Exploring the public interest case for a minimum (floor) price for alcohol, final report
- the 2014 House of Representatives report on the Inquiry into the harmful use of alcohol in Aboriginal and Torres Strait Islander communities.
newspapers (The Age and the Herald Sun) found that alcohol advertising changes in several ways, including:

- advertising is now dominated by large-scale alcohol retailers or ‘liquor barns’, where advertising by small ‘boutique’ specialist retailers has declined radically
- there is a noticeable trend towards large, full-page advertisements that feature colour photographs of products and large fonts
- more prominence is given to the price of products, especially through the promotion of ‘special offers’ and discounts for ‘bulk’ purchases
- alcohol advertising often occupies whole pages at the front of the newspaper, making it difficult for the reader to avoid
- advertising of pre-mixed spirits was most prominent in the newspaper with the largest youth audience.60

Of particular concern, is advertising targeted towards young people. The volume of alcohol marketing that young Australians are exposed to is unprecedented. Not only are they exposed to alcohol marketing through traditional communication mediums such as television, radio, newspapers and magazines, billboards, merchandise and sponsorship, they also see such advertising through the internet using social media sites such as Facebook, YouTube and Twitter.

A report entitled They’ll drink bucket loads of the stuff, an analysis of internal alcohol industry marketing documents in the United Kingdom (UK), revealed that alcohol producers and advertisers are keen to recruit new drinkers and establish their loyalty to certain brands. New media channels are used because they appeal to and engage new consumers, largely young people. Alcohol beverage sponsorship of specific music festivals and/or sporting events is undertaken with the core purpose of reaching young people and demonstrating how well the brand understands and relates to them.61

Studies have shown that there is a significant relationship between exposure to alcohol advertising, and drinking intentions and behaviours.62,63,64 In 2010, a survey of children aged between nine and 15 years in Western Australia found that 75 per cent of children and adolescents recognised Bundaberg Rum’s ‘Bundy Bear’ and correctly associate this figure with an alcoholic product.65 Alcohol sponsorship of sporting events has also been shown to result in children and young people associating alcohol with sport.66

The impact of alcohol advertising on young people is of particular concern because young people bear a disproportionate level of harm from alcohol-related accidents and injury.67 The volume of alcohol advertising that young people are exposed to has been shown to impact on their future behaviour related to alcohol consumption. A review of 12 longitudinal studies of over 38,000 young people has shown that the volume of alcohol advertising they are exposed to influences the age that young people start drinking as well as their consumption levels.68 This review also showed a dose response relationship between volume of exposure to advertising and alcohol consumption in young people. This means that the more alcohol advertising that young people are exposed to, the earlier they will start to drink, and the more they will consume if they already drink.

Advertising and promotion is a significant driver of alcohol consumption. The Australian Government must phase out alcohol advertising, commencing with the removal of alcohol marketing from times and placements which have high exposure to young people aged up to 25 years. The current regulatory environment for alcohol advertising in Australia is flawed, not least because the Alcohol Beverages Advertising Code (ABAC) is a voluntary code governed by representatives from alcohol
industry bodies. This code must be reformed with the establishment of an independent regulatory body free of alcohol industry involvement, regulation that is mandatory for all industry members, that covers all alcohol marketing activities, includes penalties for non-compliance, and is transparent and accountable.

Recommendations

10. The Inquiry recommend that the Australian Government phases out alcohol advertising, commencing with the removal of alcohol advertising from times and placements which have high exposure to young people aged up to 25 years.

11. The Inquiry recommend that the Australian Government abolishes the Alcohol Beverages Advertising Code (ABAC) and establishes an independent regulatory body that is free of alcohol industry involvement, and introduces alcohol advertising regulation that is mandatory, covers all alcohol marketing activities, includes penalties for non-compliance, and is transparent and accountable.

Availability and competition policy

Strategies to reduce the availability of alcohol are generally the province of state and territory governments. However, policy decisions taken at a national level can also have an impact on the availability of alcohol. Competition policy is a case in point.

Competition policy has contributed to the rapid increase in the number of licensed premises and hours of sale, making alcohol more affordable and more widely available than ever before.69 A national competition policy was introduced to increase performance across the Australian economy by increasing competitiveness.70 As a result, there has been an increase in competition in the sale of alcohol in Australia with the number of liquor licences and premises increasing dramatically. In Victoria, for example, the number of liquor licences increased by 120 per cent between 1996 and 2010.71

The increase in the number and type of outlets, and their trading hours, has resulted in alcohol becoming more readily available than it ever has been. In some states and territories, such as the Australian Capital Territory, alcohol can be sold in supermarkets, alongside groceries and other everyday items. This has occurred largely through the review and removal of regulatory controls on the sale and supply of liquor in each state and territory and has been correlated with an increase in alcohol harm.

An increase in alcohol-related harms has been particularly prevalent in areas with higher concentrations of licensed venues, such as Victoria, and has corresponded with higher levels of assault, domestic violence and chronic health harm.72,73,74 Extensions of trading hours in liquor outlets have also been found to increase rates of violence and road crashes in an area.75,76 These changes have been particularly seen in jurisdictions where liquor licensing legislation was forced to comply with competition policy requirements.

It has been pleasing to see that the latest review of competition policy has acknowledged that there is a clear justification for alcohol to be regulated in light of its potential to cause harms.77 The view of the Review Panel was that the risk of harm from alcohol provides a clear justification for liquor regulation and that any review of liquor licensing regulations against competition principles must take proper account of the public interest in minimising this potential harm.
FARE, PHAA and NAAA welcome the Australian Government support for the review’s recommendation that states and territories be allowed to impose restrictions on trading times for alcohol sales (and/or gambling services) so that they can achieve the policy objective of harm minimisation. The government should work with jurisdictions to understand that despite the further deregulation of trading hours, states and territories can introduce measures that reduce trading hours in the interest of reducing harm from alcohol. This should be clearly outlined in guidelines relating to the reforms.

**Recommendation**

12. The Inquiry recommend that the Australian Government develops guidelines on the changes to Competition Policy and that this should clearly identify that alcohol is a special product and therefore actions taken in the public interest, such as reduced trading hours, can and should be implemented.

**Data collection**

Data collection is important to inform the development and evaluation of good evidence-based policy which in turn leads to better outcomes for policy. Governments across Australia collect a range of data including alcohol sales, alcohol-related hospitalisation, emergency department presentations, ambulance data and alcohol-related violence.

Currently there is a lack of data on the incidence of alcohol-related violence and where data is available it is underreported and inconsistently recorded. Much of the data is not publicly reported. The situation is similar for health related data while the collection and reporting of sales data varies across states and territories.

The collection of sales data is recommended by The World Health Organization to inform policymakers with a comprehensive picture of alcohol consumption and associated risks. The collection and public reporting of this data is also important to ensure government accountability for concentrations of liquor outlets in localities where vulnerable people live.

Alcohol sales data is information collected from either retailers or wholesalers regarding the volume of specific alcoholic beverage types sold to the public (in the case of retailers) or to retailers (for wholesale sales data). It is currently collected and reported by Western Australia, the Northern Territory, Queensland, the Australian Capital Territory and Victoria. New South Wales collects sales data from licensees in the Kings Cross precinct, but does not collect data state-wide. Tasmania will commence collecting alcohol sales data in 2016. South Australia does not currently collect sales data. Where data is collected, each jurisdiction has different reporting requirements.

A consistent system of data collection from wholesalers and producers will facilitate the collection of this data in light of the logistical challenges involved in collecting detailed data direct from retailers. Nationally consistent alcohol sales data will allow greater understanding of the patterns of supply, including the amount and types of alcohol sold at which locations, in all states and territories in Australia. This information is critical for monitoring, policy evaluation and program development and targeting. It should be made publically available in a format which can be easily accessed, used and analysed by policymakers and researchers.

Collecting detailed data provides more flexibility than simply collecting annual totals of sales to particular regions, and concerns about commercial-in-confidence data can be managed when data are being published or released. The data collection should include:
transaction-level data on sales from wholesalers and producers to retailers who sell alcohol to the public, as this level of detail will allow for monthly, quarterly or annual estimates of sales as appropriate

- retail outlet-level data, with standard public reporting of the data limited to appropriate geographical units (such as postcode), leaving open the possibility that more detailed data can be utilised for specific policy-relevant purposes

- data on price and volume should be included for each transaction.

Importantly, detailed beverage-specific data are required to fully understand patterns and trends in Australian drinking. Thus, an ideal data system should collect sales data broken down by:

- beer (distinguishing between low, mid and full strength beers)
- wine (distinguished by volume [bottled vs bulk] and strength [table vs fortified] of purchased wine)
- spirits (distinguishing between standard spirits [inclusive of liqueurs and aperitifs] and premixed ready-to-drink spirits)
- cider and other brewed products (distinguishing between high alcohol and regular products).

**Recommendation**

13. The Inquiry recommend that the Council of Australian Governments agree to developing nationally consistent data sets that are publicly available to enable a better understanding of the true extent of harm in Australia and to inform the development and evaluation of alcohol policies at all levels of government.

**Alcohol industry influence**

The alcohol industry has played an increasing role in policy development at all levels of government. This influence in policy development undermines health sector advocacy which seeks to minimise harm from alcohol based on the most effective strategies to reduce harm. The industry does this by lobbying against evidence-based policies, engaging researchers to develop industry friendly research, and sponsorship of individuals, organisations (and/or their activities) and political parties.

The industry engages in tactics to prevent and deflect government policy from the most effective strategies to reduce alcohol harm to strategies that will have minimal impact on the commercial interests of the industry and ultimately industry profits. It aims to secure its private interests ahead of the public interest.

The World Health Organization (WHO) has clearly stated that alcohol policy development should be free from industry influence. WHO’s Director General, Dr Margaret Chan, expressed this view in the British Medical Journal, indicating that ‘In WHO’s view, the alcohol industry has no role in formulating policies, which must be protected from distortion by commercial or vested interests’. 80

The alcohol industry has a role in providing relevant data that will inform policy development and in developing implementation strategies. Because of its vested interest in protecting its commercial interests, governments should not allow alcohol industry involvement in the development of policy.
Recommendation

14. The Inquiry recommend that governments at all levels should exclude alcohol industry involvement in the development of policy.

Community support for government action

Australians support the types of measures that are being introduced in New South Wales and Queensland. The majority, 81 per cent, of Australians think that pubs, clubs and bars should close at 3am or earlier, 63 per cent support a ban on alcohol advertising on television before 8.30pm seven days a week and half (51 per cent) believe that alcohol sponsorship should not be allowed at sporting events. In addition, Australians are concerned about the power of the alcohol industry with one in two (51 per cent) Australians believing that the alcohol industry has too much influence with governments.

There is a clear public interest in preventing harm from alcohol due to the impact on the health, safety and wellbeing of the community.

The Australian Government needs to do much better in addressing alcohol-related violence and other harms. Clearly, what the government has been doing in the past has not been enough to make a significant difference in reducing harm and people’s confidence that the situation will get better. The availability of alcohol, pricing policies and marketing of alcoholic beverages are recognised by the World Health Organization as some of the most effective strategies to reduce harmful use of alcohol.

The government should ensure that it plays its part in implementing the most effective strategies to reduce alcohol harm and examine opportunities to compel states and territories to implement the most effective strategies to reduce harm.
References


49 Foundation for Alcohol Research and Education (2016) Pre-budget submission 2016-17: Submission to Treasury Canberra: FARE


