



SUBMISSION IN RESPONSE TO THE SOUTH AUSTRALIAN
GOVERNMENT LIQUOR LICENSING DISCUSSION PAPER

January 2016

EXECUTIVE SUMMARY

Diageo Australia is committed to supporting the South Australian Government in implementing targeted, evidence based measures to promote safer venues for consumers and better regulation for licensees.

We commend the Government's focus on red tape reduction, a safer drinking culture and promoting a vibrant entertainment sector. However, we are concerned that the review could lead to further restrictions on trading hours in an attempt to create a safer drinking culture.

Diageo believes the success of the measures already in place in South Australia highlights that there is a sensible balance between promoting vibrancy and maintaining safety.

This submission focusses on the question posed by the Discussion Paper as to whether closing times, lockout times and last drinks should be set for particular areas.

We have also included our recommendations for maintaining safe, enjoyable licensed premises, based on our global knowledge and experience.

Diageo: Our business

Diageo is the world's leading premium drinks company with market-leading brands such as Johnnie Walker® Scotch whisky, Smirnoff® vodka, Gordon's® gin, Baileys® Irish cream liqueur and the iconic Queensland brand - Bundaberg® Rum. We operate in 180 markets around the world with interests across wine, beer and spirits.

Diageo is Australia's third largest alcohol beverage supplier and the largest supplier of spirits products in Australia. Diageo employs approximately 450 people operating across seven sites.

Diageo has a proud record of working with Governments and NGOs to reduce alcohol related harm and promote the responsible consumption of alcohol. We support targeted measures that address alcohol misuse, including education, increased policing and penalties, strengthening responsible service of alcohol (**RSA**), and a greater focus on personal responsibility.

Diageo is a member of the International Alliance for Responsible Drinking and a signatory to the Global Alcohol Producers Commitments to Reduce Harmful Drinking,

1. BACKGROUND

As an alcohol producer, Diageo recognises its responsibility to promote responsible consumption of alcohol and to encourage safe, enjoyable experiences in licensed premises. We believe that this is a joint responsibility of Industry, the Government, the Community and individuals.

Contrary to perceptions promoted by some, the statistics around alcohol consumption and harm in Australia are actually experiencing a positive downwards trend, showing a safer drinking culture:

- Data from the Australia Bureau of Statistics shows alcohol consumption in Australia is at its lowest level in 50 years and is continuing to decline.¹
- Daily drinking has declined significantly between 2010 and 2013 (from 7.2% to 6.5%) and was at the lowest level seen since 1991, with rates falling for both males and females.²
- Fewer people aged 12–17 are drinking alcohol and the proportion abstaining from alcohol increased significantly between 2010 and 2013 (from 64% to 72%).
- Younger people are continuing to delay starting drinking—the age at which 14–24-year-olds first tried alcohol has increased since 1998 from 14.4 to 15.7 years in 2013.
- The proportion of Australian who exceeded the risk guidelines at least once a month declined significantly from 29% in 2010 to 26% in 2013.
- Alcohol related assaults continue to decline—for example, data from the NSW Bureau of Crime Statistics and Research shows alcohol related non-domestic assaults in NSW have declined 30% since 2008..

It is important to note that these statistics are from Government data and are not selective statistics produced and promoted by any sectional interests.

While it is encouraging that Australia is experiencing positive trends in relation to alcohol, we know there is still more to be done and we support Government efforts to maintain and improve these trends.

Diageo believes that in developing policy responses, it is important to strike the right balance between maintaining the rights of the overwhelming majority of Australians who drink responsibly and addressing alcohol misuse.

Diageo believes there should be a greater focus on targeted, proven responses, specifically:

- Targeted education, especially of young adults and parents/guardians;
- Greater enforcement and policing;
- Increased penalties for troublemakers, including banning orders; and
- Creating safer venues, including through responsible service of alcohol provisions.

We do not believe that reducing the trading hours for licensed premises is an effective response that will create safer venues.

1 Australian Bureau of Statistics (2015): *Apparent Consumption of Alcohol*

2 Australian Institute of Health and Welfare (2015): *National Drug Strategy Household Survey*

2. OPERATING HOURS OF LICENSED PREMISES

The Discussion Paper raises the questions of whether restrictions on trading hours could lead to safer venues.

We believe the current General Code of Practice and the Light Night Code of Practice together strike the right balance between consumer safety and supporting a vibrant entertainment culture.

In particular the Late Night Code restricts entry onto licensed premises after 3am. Diageo notes there have been some calls to restrict entry and/or cease service from an earlier period, such as midnight or 1am, citing the NSW lockouts experience.

Diageo believes there is no evidence to suggest that a change to the current 3am lockouts or to last drinks requirements would have any impact on improving venue safety. In particular, reference to the NSW experience as justification for earlier lockouts and cease service is misleading.

Looking at the NSW experience, the claimed improvements in safety are not clear cut and as such do not warrant earlier lockouts and cease service than already exists in South Australia.

Firstly, in NSW there was a pre-existing downward trend in alcohol related assaults prior to the restrictions on trading hours. Looking at NSW as a whole, alcohol related assaults have been decreasing steadily since 2008, with a decline in incidents of approximately 35% in that period.

This trend pre-dates the introduction of lockouts and in fact the majority of NSW is not subject to lockouts, suggesting there is a broader pre-existing downward trend that is independent of and not a result of the restricted trading hours.

A similar pre-existing downward trend in alcohol related assaults is evident in the Sydney CBD Local Area Command (**LAC**), pre-dating the introduction of lockouts.

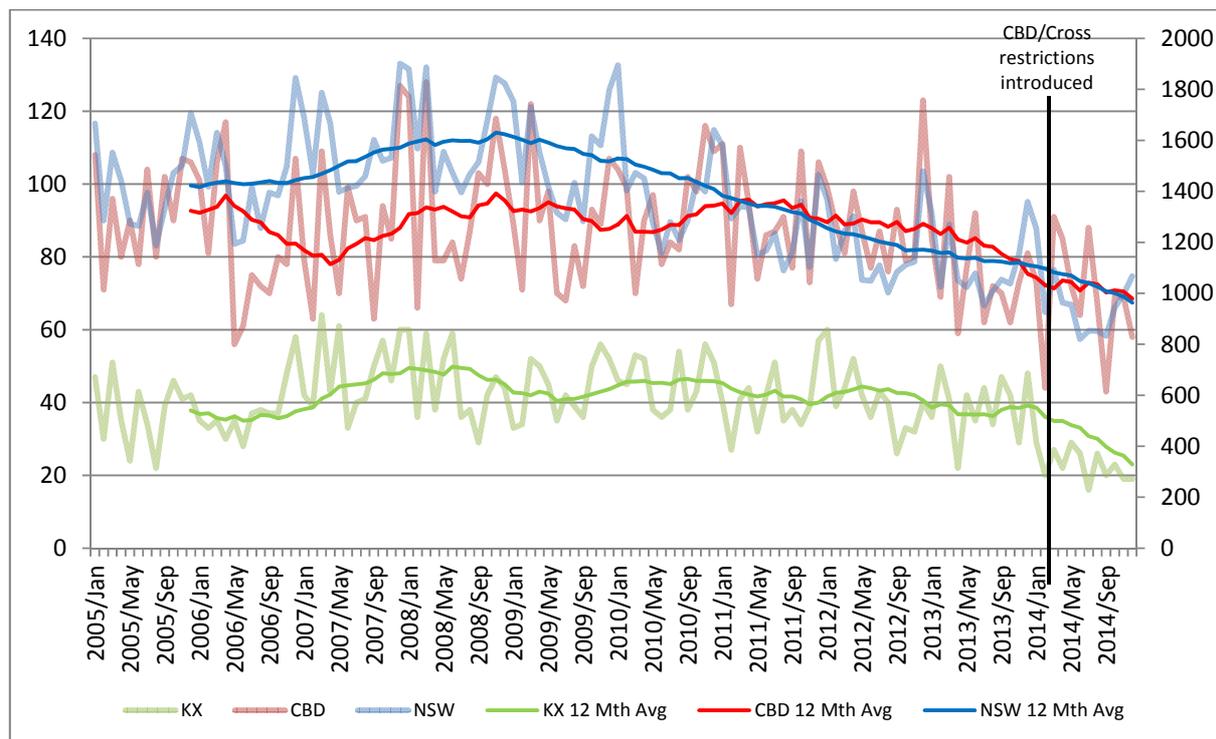
Assaults in the Sydney CBD LAC have been in decline since 2011 and there has been no change in this trend following the introduction of lockouts, suggesting they have had little impact on reducing alcohol related assaults in the Sydney CBD.

In relation to the Kings Cross LAC, evidence suggests that any decrease in alcohol related assaults is a result of a significant decline in the number of people visiting the area.

Diageo contends that these statistics and pre-existing trends highlight that the decrease in alcohol related assaults cannot simply be attributed to lockouts and reduced trading hours and therefore restrictions on trading hours are not an efficient policy response to reduce alcohol related harm and assault.

Nor will further restrictions on trading hours beyond those that currently exist in South Australia lead to safer venues.

Figure 1: Number of alcohol-related non-domestic assaults, Kings Cross LAC, Sydney LAC, & NSW - 2005 to 2014



Secondly, to attribute any change in assaults and harm to lockouts ignores the range of additional measures introduced prior to and simultaneously with the lockouts. To date there has been no analysis of the individual impacts of specific measures, so to credit one specific measure with any positive results is disingenuous.

This view was supported by a recent NSW Parliamentary Report which acknowledged the ongoing decrease in alcohol related violence but concluded it was not possible to attribute this trend to any specific policy response or suite of responses.

“It is not clear to what extent this reduction in assaults was due to trading hour restrictions, banning orders, or to less people frequenting those areas.”³

Similarly, recent research by the University of Adelaide questioned the impact of lockouts in Adelaide and more broadly, highlighting the simultaneous introduction of other measures to reduce harm. Dr Giancaspro from the University of Adelaide concluded:

“While I commend the [South Australian] State Government for trying to make our pubs and clubs safer after dark, I question its reliance on the available data, which indicates there is no obvious and systemic correlation between the introduction of lockout laws and a reduction in incidences of alcohol-related violence.”⁴

3 NSW Parliamentary Research Services (2015): *Liquor licensing restrictions to address alcohol-related violence in NSW*

4 University of Adelaide (2015): *Jury’s still out on pub and club lockout laws*

Dr Giancaspro also noted that lockouts in Queensland and Victoria had been found to be ineffective in reducing alcohol related harm, while the data relating to lockouts in Perth and Sydney “does not paint a clear picture either way”.

Based on these factors outlined above, Diageo believes that lockouts have not had a significant or proven impact on reducing alcohol related harm and we therefore do not support any moves to introduce an earlier lockout period.

We believe the current South Australian *Late Night Code of Practice* strikes a more reasonable balance between practical, targeted measures, such as increased enforcement and ID scanners, which do not restrict the responsible majority, while still taking action to reduce harm and improve safety.

3. OTHER MEASURES OR REFORMS TO REDUCE ALCOHOL RELATED HARM.

While Diageo does not support further restrictions on trading hours in South Australia, we do support targeted measures to improve safety for consumers and support a responsible drinking culture.

As noted in Section One of this submission, there are many positive and sustained trends in Australia in relation to alcohol related harm and alcohol consumption. Consumption per capita is at a 50 year low and the incidents of alcohol related harm, including assaults, are declining.

These are positive trends which reflect the ongoing work and commitments from Governments, the Industry and individuals to reduce alcohol related harm. Diageo remains committed to continuing to improve the way alcohol is enjoyed in Australian society, reducing alcohol misuse and tackling alcohol related anti-social behaviour.

In reducing alcohol related harm, Diageo believes that any policy and regulatory responses should be based on three underlying principles:

- Reducing harm is a shared responsibility of Governments, Industry and individuals.
- Targeted interventions and individual responsibility must be the primary focus.
- Measures to reduce alcohol related harm must not unfairly penalise the vast majority of Australians who drink responsibly and who should be free to enjoy a night out.

Based on these three principles, Diageo supports a coordinated policy response based on the four pillars of enforcement, education, individual responsibility and safer venues, including the responsible sale and service of alcohol.

Enforcement and Policing

A consistently proven and effective measure for improving public safety in and around licensed premises is strong enforcement and a visible policing presence. The Queensland Safe Night Out Strategy was successful in reducing alcohol related harm and assaults by, among other things, increasing the presence of police and enforcement staff in the designated entertainment precincts.

Statistics show that many offenders in relation to alcohol related assaults have a history of violence and restrictions on trading hours and the service of alcohol do little if anything to change the behaviour of

these troublemakers. An increased police presence acts as a deterrent and allows for rapid intervention and de-escalation of incidents before they result in harm.

Based on experiences in Newcastle, Sydney, Brisbane, Perth and Adelaide, Diageo believes that increased policing in entertainment precincts is an effective measure in reducing alcohol related harm.

Education

Surveys of community support for various alcohol policy responses consistently rank education as one of the most effective measures for reducing alcohol related harm. In particular, education of young adults on the effects of alcohol and on how to stay safe on a night out have a real impact on reducing binge drinking, alcohol related harm and hospital admissions.

Diageo strongly supports education as an effective policy response and our commitment is evidenced by our support for the Wake Up Foundation. Wake Up is a peer-based organisation of young people who run programs in schools, clubs and community groups to educate young people on how to make responsible choices to stay safe on a night out, including choices around alcohol consumption, peer pressure and personal safety.

In 2015, the Wake Up Foundation reached 10,000 Australian students and initial evaluation shows that the education provided assists young adults to think differently about their choices. Currently, the Wake Up Foundation is NSW based, however we would encourage the South Australian Government to support Wake Up to extend their program into South Australia.

Individual responsibility

Individual responsibility is the key to reducing alcohol related harm. A key element to this is placing the responsibility on individuals for their actions and behaviour, including increased penalties for assaults, for remaining on licensed premises when intoxicated, and for other antisocial behaviour.

Placing the responsibility on individuals will have a greater impact on changing behaviours than simply placing the responsibility on licensees and staff. Diageo advocates for increased penalties for troublemakers and anti-social behaviour as a critical element of personal responsibility.

Individual responsibility measures are also strongly supported by the community, recognising that it is up to consumers to control their actions and that those who break the law should be punished, rather than punishing the majority of responsible drinkers.

Safer Venues

Industry also has a role to play in promoting responsible drinking and ensuring responsible consumers can enjoy a drink or a night out safely. Depending on the size and type of venue, there are a range of potential industry measures, such as increased security, improved training of staff, more practical RSA training, better monitoring of patrons, ID scanners, and increased cooperation with police and licensing staff.

Diageo encourages the Government to continue to work with Industry, especially licensed venue operators and retailers, to ensure a cooperative approach to improving patron safety, rather than a punitive approach, such as lockouts.

4. CONCLUSION

Diageo commends the South Australian Government's ongoing commitment to creating a vibrant, safe, night time economy and entertainment industry.

However, we believe that in responding to alcohol related harm, any policy measures must also balance the rights of the majority of Australians who drink responsibly and who should not be restricted from enjoying a night out due to the actions of a minority.

It is in this context that Diageo advocates against any further restrictions on trading hours, such as an earlier lockout time or cease service time. Rather, we continue to advocate for a better targeted response based on the shared responsibility of Government, the Industry and individuals.

Diageo remains committed to working with Governments, our consumers, our suppliers and partners, and community organisations, such as the Wake Up Foundation, to promote the responsible enjoyment of alcohol and to create better, safer drinking environments.

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