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

Contact for recipient:
Government of South Australia
Consumer and Business Services
A: GPO Box 1719
E: CBSReforms@sa.gov.au T: 131 882

Contact for PHAA:
Michael Moore – Chief Executive Officer
A: 20 Napier Close, Deakin ACT 2600
E: phaa@phaa.net.au T: (02) 6285 2373

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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. 2

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,
PHAA submission on the South Australian Liquor Licensing Discussion Paper

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)\(^{22}\). The NASDP aims to “construct an ongoing, regularly updated, national database of standardised alcohol sales data, which includes all Australian states/territories” \([p10]\).\(^{23}\) 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,\(^{24}\) and can be used to identify patterns of consumption of different beverage types.\(^{25}\)

Alcohol sales data are important for monitoring trends in per capita alcohol use\(^{26}\), studying relationships between changes in per capita consumption and population health outcomes, providing a benchmark to assess the reliability of survey estimates of consumption\(^{27}\) and evaluating interventions to reduce alcohol-related harm.\(^{28}\)

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 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.

Dr Narelle Berry B.Sc, B.App.Sci (Hons), MPH, PhD
South Australia Branch President
Public Health Association of Australia

Michael Moore BA, Dip Ed, MPH
Chief Executive Officer
Public Health Association of Australia

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Public Health Association of Australia

Submission to the Competition Policy Review
(Draft Report)

November 2014

Contact for PHAA:
Adj Professor Michael Moore
Chief Executive Officer
mmoore@phaa.net.au
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Introduction

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. The PHAA has a vision for a healthy region, a healthy nation and healthy people living in a healthy society and a sustaining environment while improving and promoting health for all.

Public Health

Public health includes, but goes beyond the treatment of individuals to encompass health promotion, prevention of disease and disability, recovery and rehabilitation, and disability support. This framework, together with attention to the social, economic and environmental determinants of health, provides particular relevance to, and expertly informs the Association’s role.

The Public Health Association of Australia

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.

Key roles of the organisation include the development of policy, capacity building and advocacy. Core to our work is an evidence base drawn from a wide range of members working in public health practice, research, administration and related fields who volunteer their time to inform policy, support advocacy and assist in capacity building within the sector. PHAA supports a preventive approach for better population health outcomes by championing appropriate policies and providing strong support for Australian governments and bodies such as the National Health and Medical Research Council in their efforts to develop and strengthen research and actions in public health. The PHAA is an active participant in a range of population health alliances including the Australian Health Care Reform Alliance, the Social Determinants of Health Alliance, the National Complex Needs Alliance and the National Alliance for Action on Alcohol.

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 providing a close involvement in the development of policies. In addition to these groups the PHAA’s 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.

Advocacy and capacity building

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 governments and agencies, and promoting key policies and advocacy goals through the media, public events and other means.
Preamble

PHAA welcomes the opportunity to provide a submission to the *Competition Policy Review Draft Report* (Draft Report).

The PHAA is concerned that the recommendations outlined in the Draft Report will greatly increase the availability of alcohol in Australia and lead to significant increases in alcohol harms.

We understand the Review Panel’s draft recommendations will have a number of implications for the sale and supply of alcohol:

- Removing retail trading hour restrictions, including in regard to alcohol retailers (Draft recommendation 51);
- Reducing constraints on supermarkets and convenience stores being able to sell alcohol (Draft recommendation 11);
- Removing restrictions related to planning and zoning for alcohol outlets (Draft recommendation 10).

**Opposition to these proposals by the PHAA**

The PHAA opposes these recommendations due to their potential to increase harm from alcohol. The basis of our concerns are summarised in the sections to follow.

**Health and social harms from alcohol**

Alcohol is a major cause of myriad health and social problems, crime, violence, road crashes, and other direct and indirect forms of social disruption. Alcohol is the cause of both short-and long term problems; its consequences are felt by drinkers 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.

Recently published estimates of the burden of disease associated with alcohol in Australia identified that 5,554 deaths and 157,132 hospitalisations were attributable to alcohol in 2010.\(^1\) This equates to 15 deaths and 430 hospitalisations each day.

The largest survey of alcohol harm in emergency departments undertaken in Australasia, released in November 2014, identified that 92% of respondents reported having experienced assaults or physical threats from drunk patients in the last 12 months and 98% had experienced alcohol-related verbal aggression.\(^2\) Previous research conducted by the Australasian College for Emergency Medicine found that up to one in three presentations to some emergency departments in Australasia were alcohol-related.\(^3\)

Alcohol-related harms also place a major burden on policing resources. Nationally, police use one quarter of their budgets responding to alcohol-related incidents.\(^4\)
The Draft Report briefly acknowledges the harms caused by alcohol as a rationale for the regulation of alcohol.

“The risk of harm to individuals, families and communities from problem drinking and gambling is a clear justification for regulation.” (p109)

However, overall, the Draft Report does not reflect an understanding of the extent of harm from alcohol in Australia or the very substantial costs associated with the level of harm.

The Draft Report emphasises that regulation should be “at least cost to consumers” (p109). When considering the costs to consumers in regard to alcohol and its regulation, it is essential to consider the direct and indirect costs to individuals, families, communities and governments of the broad range of short- and long-term harms caused or contributed to by alcohol.

**Alcohol is no ordinary commodity**

Alcohol should not be treated as an ordinary commodity due to its potential to cause a wide range of health and social harms. Professor Sir Ian Gilmore, Chair of the UK Alcohol Health Alliance and former President of the Royal College of Physicians of London, supports this position:

“We have to accept...that ‘alcohol is not an ordinary commodity’. If it is left to personal choice as an entirely libertarian issue, we will run into problems. It is a drug. It is a drug of dependence. It is a psychoactive drug. It happens to be legal. We do not want to make it illegal, but it does require different handling from soap powder and other things that may be dealt with otherwise by the free market.”

Babor and colleagues, in their influential text, ‘Alcohol: no ordinary commodity’, reviewed an extensive range of policy options based on their effectiveness in reducing alcohol use and/or harms, the breadth of research support, and the extent to which the strategy has been tested in multiple countries and cultures. Regulating the physical availability of alcohol to reduce access was identified among the strongest policies for reducing alcohol harms.

The Draft Report appears to sweep alcohol together with all other areas of retail. The PHAA believes that treating alcohol as an ordinary commodity is overly simplistic and does not reflect an appreciation of alcohol’s potential to cause very significant health and social harms to the drinker and to others.
Alcohol regulations should be based on the best available evidence

Alcohol policies and regulations should be informed by the best available evidence about what will reduce or prevent harm from alcohol. Promoting competition while ignoring this evidence will have a detrimental effect on the health and safety of the community.

Below is a brief summary of the evidence regarding the public health implications of the availability of alcohol.

Research has demonstrated consistent links between the availability of alcohol in a region and the alcohol-related problems experienced there.\(^7\)\(^{-12}\) The findings of Australian research on the impact of changes in alcohol availability was summarised by the National Preventative Health Taskforce, “The results of this research are clear: liberalising alcohol availability is likely to increase alcohol-related problems”.\(^7\)

Trading hours and days

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.\(^13\)\(^{-16}\) 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.\(^17\), \(^18\)

Outlet density

The density of alcohol sales outlets is a frequently used measure of availability.\(^19\) Australian and international evidence has established consistent associations between the density of licensed premises in an area and rates of violence,\(^11\), \(^20\)\(^{-23}\) with further evidence relating to road crashes, child abuse and neglect, neighbourhood amenity, and mental health.\(^12\), \(^24\)\(^{-27}\)

Economic availability of alcohol

The economic availability of alcohol relates to the price: the cheaper it is, the higher its economic availability. There is a strong evidence base to support policies that regulate the economic availability of alcohol as a strategy to reduce alcohol-related harm.\(^28\)

The expert recommendations of Australian and international health authorities are consistent with this evidence. The communique released by the Australian Medical Association following the National Alcohol Summit in October 2014 stated:

“State and Territory Governments, in conjunction with local government, can make a big difference, particularly in relation to the density of drinking establishments, opening hours, and policing licences.”\(^29\)
PHAA submission on the Competition Policy Review (Draft Report)

The World Health Organization’s Global Strategy to Reduce the Harmful Use of Alcohol emphasises that policies and interventions to reduce harm from alcohol should be “guided and formulated by public health interests” and identifies regulating the availability of alcohol (including the number and locations of alcohol outlets, and trading hours and days) as a priority policy intervention.¹⁰

**Competition policy should not impede effective alcohol regulation**

Reducing and preventing the health and social harms caused by alcohol should be the highest priority of alcohol policy and regulation. Alcohol policies and regulations should be informed by the best available evidence about what will reduce or prevent harm from alcohol. Governments’ ability to act on this evidence and use regulatory approaches to reduce or prevent harm from alcohol should not be limited by competition policy.

The extent of preventable health and social harm associated with alcohol warrants effective alcohol policy which prioritises reducing and preventing harm from alcohol, rather than an approach which seeks to increase competition above all else. In order to respond to the substantial health and safety concerns associated with alcohol, it is essential to preserve the ability of governments at all levels to introduce appropriate harm reduction measures.

**Recommendations**

The PHAA recommend:

1. The recommendations of the Competition Policy Review should reflect that alcohol is no ordinary commodity and should be treated differently to other retail products, based on its potential to cause harm.
2. Preserve the ability of governments at all levels to introduce controls on the sale and supply of alcohol within their jurisdiction to respond to and/or prevent alcohol-related harm.
3. Proposed changes to Competition Policy should not increase or have the potential to increase the overall physical or economic availability of alcohol.
4. No further deregulation of retail trading hours for alcohol.
5. Supermarkets should not be allowed to sell alcohol.
6. Convenience stores should not be allowed to sell alcohol.
Conclusion

Competition policy should not undermine public health or be an obstacle to the appropriate and effective regulation of alcohol. The PHAA are very keen to ensure that competition policy does not increase the availability of alcohol or impede governments’ ability to appropriately regulate the availability of alcohol.

The PHAA appreciates the opportunity to make this submission. Please do not hesitate to contact the PHAA should you require additional information or have any queries in relation to this submission.

Professor Heather Yeatman
President
Public Health Association of Australia

Ms Julia Stafford
Co-convenor, Alcohol Special Interest Group
Public Health Association of Australia

November 2014
References


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South Australian Branch of the Public Health Association of Australia submission on the Liquor Licensing Reform: Sale of Wine in Supermarkets
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SA PHAA submission on the SA Liquor Licensing Reform

Introduction

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.

Public Health

Public health includes, but goes beyond the treatment of individuals to encompass health promotion, prevention of disease and disability, recovery and rehabilitation, and disability support. This framework, together with attention to the social, economic and environmental determinants of health, provides particular relevance to, and expertly informs the Association’s role.

The Public Health Association of Australia

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.

Key roles of the organisation include capacity building, advocacy and the development of policy. Core to our work is an evidence base drawn from a wide range of members working in public health practice, research, administration and related fields who volunteer their time to inform policy, support advocacy and assist in capacity building within the sector. PHAA has been a key proponent of a preventive approach for better population health outcomes championing such policies and providing strong support for the Australian Government and for the Preventative Health Taskforce and National Health and Medical Research Council (NHMRC) in their efforts to develop and strengthen research and actions in this area across Australia.

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.

Advocacy and capacity building

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.
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South Australian Liquor Licensing Reform

On 13 February 2013, the South Australian (SA) Branch of the PHAA received an opportunity to respond to the SA Government proposal of a new liquor licence class within the Liquor Licensing Act 1997 (the Act) that will allow wine to be sold in supermarkets. The SA PHAA provide the following feedback outlining critical key points addressing issues associated with this amendment to the Act. The SA PHAA is available to elaborate further on any of these points if the opportunity is made available.

The SA PHAA believe that central to the Act should be a focus on minimising the impact of alcohol problems in our community and preventing harms caused by alcohol. Alcohol is a major cause of myriad health and social problems, including crime, violence, road crashes, and other direct and indirect forms of social disruption. Alcohol is the cause of both short-and long term problems; 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 substantial. We hold most concern for those most vulnerable within our population and, in particular, the long term harmful consequences that this amendment could impose on these populations, most notably, children and adolescents. The SA PHAA believes that:

- Alcohol is a commodity with potential to cause great harm.
- The ability to sell alcohol is a privilege, not a right.
- The highest priority of the Liquor Licensing Act should be the prevention and minimisation of harm and ill-health due to the use of liquor.
- The protection of young people and vulnerable groups should be a priority of the Act.
- Alcohol-related harm is entirely preventable; and
- Limiting and ensuring appropriate availability of alcohol should be a prime consideration in any amendment to the Liquor Licensing Act.

In composing this response we draw on the work of colleagues included in a recent submission to a review of the Liquor Control Act 1988 Western Australia (WA). In the submission, the McCusker Centre for Action on Alcohol and Youth Centre 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 other premises currently prohibited under the Act”. The report recommends that “careful consideration be given to the potential for any proposed changes to the Act to lead to the increased availability of alcohol, and action be taken to prevent this where the potential is identified”. We also draw on a position statement by the WA Alcohol and Youth Action Coalition on alcohol availability.

Access and availability to retail opportunities that sell alcohol

The amendment to Act as proposed expands access to alcohol through increased availability and increases community exposure to alcoholic beverages. Here we define availability of alcohol as “the ease or convenience of obtaining alcohol”. Research has demonstrated consistent links between...
the availability of alcohol in a region and the alcohol-related problems experienced by the community. Australian research on the impact of changes in alcohol availability was summarised by the National Preventative Health Taskforce as follows: “The results of this research are clear: liberalising alcohol availability is likely to increase alcohol-related problems”.4

The density of alcohol sales outlets is a frequently used measure of availability. Australian and international evidence demonstrates consistent associations between increasing density of licensed premises in an area and higher rates of violence, and also increased road crashes, child abuse and neglect, and negative impacts on neighbourhood amenities and mental health. Increased outlet density leads to an increasingly competitive alcohol market-place, which may result in lower prices and hence increased ease of access to alcohol. Increased physical availability of alcohol is often associated with increased promotion of alcohol (e.g. at point of sale) which in turn stimulates demand for alcohol. The preamble to the discussion document provided to support public consultation on this amendment indicates that one reason for amending the Act is “to improve South Australian wine producers’ access to the retail liquor market”. It is difficult to see how this change would not stimulate demand for alcohol.

Trading hours and days

- The amendment to the act includes very specific hours of sale and we see this as an important inclusion.

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. We acknowledge that clear boundaries for trading hours and days of access to wine within supermarkets have been included within the amendment to the Act and, therefore, officially trading hours will not be extended through the amendment. However, this will not compensate for the increased physical availability of wine products that are proposed to be sold within the supermarkets and the increased exposure across seven-day trading periods.

Designated floor space and exposure to alcohol of employees who are minors

We note that the amendment also includes the provision that the display and sale of wine will be limited to a designated part of the supermarket and to a limited area. However, as the availability of alcohol is often associated with alcohol promotion, there are also concerns regarding young people’s increased exposure to alcohol promotion. There is a need for greater consideration of the cultural implications for young people of increased exposure to alcohol and alcohol advertising in venues frequented by families and young people, and where minors are often employed, such as supermarkets. Increased exposure to alcohol and alcohol advertising is associated with increased consumption and alcohol-related harms. Strong controls on the availability of and access to alcohol are an essential component of a comprehensive approach to the prevention of harm from alcohol. Small supermarkets often have only two or three tills next to each other. We strongly recommend that, if this amendment goes forward, that a separate till, only for wine sales, should be
required and a wording change made to the amendment. It is not adequate to propose that “employees working at the checkout where the wine is purchased must not be minors”.

Economic availability of alcohol

The economic availability of alcohol relates to the price: the cheaper it is, the higher its economic availability. There is a strong evidence base to support policies that regulate the economic availability of alcohol as a strategy to reduce alcohol-related harm.\textsuperscript{26} While we recognise the role of Federal authorities in regard to regulating the economic availability of alcohol, including through taxation and approaches to pricing, there are important areas where action at the State-level is both necessary and appropriate.

Young people are particularly price sensitive. Evidence on the impact of alcohol price on young drinkers consistently shows that changes in alcohol prices are related to changes in youth drinking.\textsuperscript{27,28} In particular, these are associated with alcohol industry practices such as heavy discounting of alcohol products, competition between liquor retailers focused on price and price-focused alcohol advertising and promotion. Certain types of alcohol are regularly advertised and sold at extremely low cost, in particular cask wine and ‘cleanskin’ wine. Surveys of drink preferences show that young people are likely to consume this type of wine.\textsuperscript{29,30} Although the supermarkets will be restricted to selling “wine in bottles”, price competition and wine producers’ willingness to reduce prices in order to enter the lucrative market, may make the wine sold through supermarkets relatively inexpensive. It is well recognised that there is a substantial difference between the price of packaged liquor (e.g. take-away alcohol sold from bottle shops for consumption off-premise) and on-premise alcohol (e.g. alcohol sold at hotels and bars for consumption on site). Concerns have been expressed that this price differential has contributed to harmful drinking patterns.\textsuperscript{31} ‘Pre-drinking’ or ‘pre-loading’, the practice of consuming alcohol prior to going out, often in substantial quantities, and at a rapid pace, has emerged as a common practice among young people. Apparent motivations for this behaviour include avoidance of paying for high priced drinks at venues.\textsuperscript{32} Concerns have been raised that pre-drinking may be linked to very high levels of alcohol consumption and a range of harms including alcohol-related violence.\textsuperscript{32} The increased availability of very cheap alcohol (driven by market competition between producers and retailers) seems likely to increase the price differential between the two forms of alcohol sales, and thereby increase the financial incentive for ‘pre-loading’, leading to increased negative social and health consequences amongst young people.

Research in the United Kingdom outlined that in recent years supermarkets and off-licenses have played a pivotal role in the expansion of domestic wine drinking. The role of supermarkets in driving down the cost of alcohol has been brought to the forefront in recent years. Proposals on minimal unit pricing and below cost sales reflect a growing consensus that pricing strategies in the ‘off’ trade (e.g. retail sales for domestic consumption) may be a more significant driver of alcohol problems than ‘on-site’ trading (e.g., late licensing pubs).\textsuperscript{33} There is a critical need to collect local-level alcohol sales data from SA liquor licensed venues to monitor the social and health consequences of liquor licensing reform over time. Local-level alcohol sales data should be made available to researchers with a focus on and in policy planning to improve the evidence base for alcohol policy, the evaluation of policy initiatives and the monitoring of alcohol
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indicators in SA. 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,\textsuperscript{35} and can be used to identify patterns of consumption of different beverage types.\textsuperscript{35}

Conclusion

The SA PHAA appreciates the opportunity to make this submission and comment on this important piece of legislation for South Australia. We question the case, as it is presented in the discussion document, for improving access for SA wine growers to the retail liquor market and making small supermarkets more viable since this amendment will also increase access to alcohol within the SA population. We recognise the issues described in the document and support the needs of local industry but suggest that there are many other measures which would address these problems without increasing the availability of alcoholic beverages. In summary the SA PHAA:

- Recommends 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 the availability of alcohol, not increasing availability.

- Cautions 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 other premises currently prohibited under the Act.

- Recommends that careful consideration be given to the potential for any proposed changes to the Act to lead to the increased availability of alcohol, and that action be taken to prevent this where the potential is identified.

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

\[\text{Walter Howard}\]

Dr Natasha Howard
SA Branch President
On behalf of the SA Branch Executive
Public Health Association of Australia

1 March 2013
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