

**Submission  
No 26**

## **PROVISION OF ALCOHOL TO MINORS**

**Organisation:** Foundation of Alcohol Research and Education  
**Name:** Ms Caterina Giorgi  
**Position:** Manager, Policy and Research  
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Foundation for Alcohol  
Research & Education

**Submission to the NSW Legislative  
Assembly Social Policy Committee: *Inquiry  
into the Provision of Alcohol to Minors***

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# About the Foundation for Alcohol Research and Education

The Foundation for Alcohol Research and Education (FARE) is an independent charitable organisation working to prevent the harmful use of alcohol in Australia. Our mission is to help Australia change the way it drinks by:

- helping communities to prevent and reduce alcohol-related harms;
- building the case for alcohol policy reform; and
- engaging Australians in conversations about our drinking culture.

Over the last ten years FARE has have invested more than \$115 million, helped 750 organisations and funded over 1,400 projects addressing the harms caused by alcohol misuse.

FARE is guided by the World Health Organisation's *Global Strategy to Reduce the Harmful Use of Alcohol*<sup>[1]</sup> for addressing alcohol-related harms through population-based strategies, problem-directed policies, and direct interventions.

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<sup>[1]</sup> World Health Organisation (2010). *Global strategy to reduce the harmful use of alcohol*. Geneva: World Health Organization.

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## Introduction

The Foundation for Alcohol Research and Education (FARE) welcomes the opportunity to provide a submission to the *Inquiry into the provision of alcohol to minors*. FARE works to ‘change the way Australia drinks’ by providing support to community projects, funding research and developing evidence-based alcohol policy.

The harmful consumption of alcohol by young people is concerning. The 2010 *National Drug Strategy Household Survey* found that 22.8 per cent of 12-15 year olds and 68.4 per cent of 16-17 year olds had consumed alcohol in the previous 12 months. Furthermore, 19.4 per cent of 16-17 year olds drank at levels putting them at short term risk (more than four standard drinks per occasion) at least monthly and 10 per cent drank at risky levels at least weekly.<sup>1</sup>

When determining strategies to address alcohol misuse among minors, it must be acknowledged that a young person’s drinking does not occur in isolation, but is a result of a broader drinking culture which encourages drinking to excess and reinforces this behaviour through the excessive availability, affordability and marketing of alcohol. When examining policy options to reduce the provision and harmful consumption of alcohol by minors, all of these factors must be considered.

Throughout this submission FARE has addressed the terms of reference as set out by the Inquiry, including:

- (a) provisions in the *Liquor Act 2007*, which make it illegal for persons to sell or supply alcohol to people under the age of 18 years, including in homes, parks, halls and public places generally, are sufficient;
- (b) provisions in the *Liquor Act 2007*, which provide that a person must not supply liquor to a minor on any premises other than licensed premises unless the person is a parent or guardian of the minor, remain appropriate;
- (c) the defence against prosecution for an offence of providing liquor to a minor if it is proved that the defendant was authorised by the minor’s parent or guardian to supply liquor to the minor, remains appropriate;
- (d) there is broad community understanding of the rights and responsibilities of parents, guardians and responsible adults regarding the provision of alcohol to minors;
- (e) New South Wales can benefit from experiences in other jurisdictions in relation to the provision of alcohol to minors by parents, guardians or responsible adults; and
- (f) any other related matters.

This submission acknowledges that while improvements to secondary supply laws are one way to reduce alcohol consumption and related harms among young people, the culture of harmful alcohol consumption by young people must also be regulated including the way that alcohol is sold, marketed and priced.

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For too long Governments have adopted an ad hoc approach to alcohol policy that has resulted in an overemphasis of cleaning up the mess from alcohol-related harms and a shortage of evidence-based regulatory policies that prevent alcohol-related harms. This has resulted in too many Australians being affected by the various harms that alcohol causes.

The state of New South Wales (NSW) knows all too well that the harms from alcohol and particularly alcohol-related violence can have devastating effects. These harms not only affect the drinker, but also impact on people in the broader community. An internationally renowned Australian study commissioned by FARE found that 367 people die each year because of someone else's drinking. There are also 70,000 victims of alcohol related assaults including 24,000 victims of domestic violence.<sup>2</sup> The potential loss of human life and indirect costs to society of alcohol-related harms should always come before any economic benefits generated from the increase of alcohol outlets.

This Inquiry presents an opportunity for the NSW Government to ensure that people do not continue to be harmed or killed because of behaviours that are largely preventable. The NSW Parliament could use this Inquiry to propose recommendations for a comprehensive approach to preventing alcohol-related harms in NSW. The NSW Government can demonstrate strength in leadership by implementing the regulations needed to create a safer community.

FARE's submission proposes a comprehensive approach to preventing harmful alcohol consumption in NSW. This approach examines four key areas of state-based alcohol policy:

1. Supply of alcohol to minors
2. Trading hours
3. Outlet density
4. Evaluation and data collection

# Recommendations

## Supply of alcohol to minors

1. That the NSW Government introduce 'irresponsible supply' laws to NSW, stating that the lawful supply of alcohol to minors should be conducted in a safe and responsible manner.
2. That the NSW Government works with other states and territories to develop nationally consistent secondary supply laws that are based on current best-practice in Australia.
3. That the NSW Government develops and implements a comprehensive public education campaign that informs the general public of the state legislation regarding supplying alcohol to minors. This campaign should incorporate the lessons learnt from the evaluation of the NSW Police's 'Supply Means Supply' campaign.

## Trading hours

4. That the NSW Government introduce a 12 month statewide trial based on the Newcastle alcohol restrictions, including:
  - Introducing a common 3.00am closing time for all pubs and clubs with extended trading license conditions across NSW;
  - Applying lockouts at all extended trading licensed premises from 1.00am;
  - Prohibiting the sale of shots, mixed drinks with more than 30ml of alcohol, ready mixed drinks stronger than five per cent alcohol by volume after 10.00pm; and
  - Prohibiting the sale of more than four drinks to any patron at one time and a requirement to provide free water stations on every bar.
5. The trial should be independently evaluated to ascertain the social and economic effects of these trading controls. The data collection requirements for this independent evaluation should be in place from the commencement of the 12 month trial.
6. That the NSW Government adopts a state-wide moratorium of late-night alcohol licensed premises trading after midnight.
7. That the NSW Government introduces a risk-based licensing fee structure that considers the trading hours of the licensed venue.

## Outlet density

8. That the NSW Government extends the freeze on the provision of liquor licences in the City of Sydney.
9. That the NSW Government introduces cumulative impact and cluster control policies for the determination of new liquor licence applications in the NSW *Liquor Act 2007*.

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10. That the NSW Government considers establishing and enforcing saturation zones in areas that are identified as already having large numbers of liquor licences.

### **Evaluation and data collection**

11. That the NSW Government develops an evaluation framework for the assessment of all future alcohol-related policies.

12. That the NSW Government mandate the collection of alcohol sales data in NSW and contribute the data to the National Alcohol Sales Data Project.



## Supply of alcohol to minors

The prevalent and socially sanctioned act of parental alcohol supply may occur primarily due to misconceptions regarding the 'right' time and method with which to introduce alcohol to a young person. Many parents who supply alcohol to their children do so because they believe that supervised alcohol use will demystify the experience for the young person and prevent later irresponsible consumption.<sup>3</sup> However, this is against the advice given in The National Health and Medical Research Council's *Australian Guidelines to Reduce Health Risks from Drinking Alcohol* (the Guidelines), which state that 'for young people under 18 years of age, not drinking alcohol is the safest option'.<sup>4</sup>

Under-age drinking is associated with physical injury, risky sexual behaviour, adverse behavioural patterns and academic failure. Early alcohol use is also linked to later-life impacts such as problematic drinking patterns as well as a range of long-term physical and mental health conditions. Even in adult-supervised settings, early alcohol use can result in higher levels of harmful alcohol consequences.<sup>5</sup>

Young people are consuming their first drink of alcohol at a younger age. In 2004, people in their 20s were more than twice as likely as people in their 40s and 50s to have consumed alcohol by the age of 14.<sup>6</sup> There has also been an increase in alcohol-related harms among young people, with hospital admissions for acute alcohol intoxication increasing between 1998-99 and 2005-06 for both males (66 to 107 per 100,000) and females (46 to 99 separations per 100,000) aged between 15-24 years.

Parents are the most common source of supply of alcohol for people under 18 years of age. According to the National Drug Strategy Household Survey 2010,<sup>7</sup> for 12-15 year olds, 40.2% stated that friends or acquaintances provided their usual supply of alcohol, followed by parents (30.4%), relatives (9%) and other (20%), with 0.3% normally purchasing their own alcohol. For 16-17 year olds, 52.1% of their usual supply of alcohol came from friends and acquaintances, followed by parents (23.3%), relatives (10.5%) and other (6.7%), with 7.3% normally purchasing their own alcohol.

Most Australian states and territories, except for SA, WA and the ACT, have acknowledged the potential harms from alcohol consumption among minors by introducing secondary supply laws. While these laws vary between jurisdictions, their aim is to prohibit the provision of alcohol to people under the age of 18 years by anyone other than an adult or guardian. In some jurisdictions such as Queensland and Tasmania, there are also 'irresponsible supply' laws which prohibit the unsafe provision of alcohol (e.g. excessive amounts) or the inadequate supervision of the minor's alcohol consumption.<sup>8,9</sup>

FARE has provided funding to research which has explored both the sources of underage drinking and parental perceptions regarding this, as well as an evaluation of the 'Supply means supply' campaign, which evaluated the NSW Police's previous public education campaign regarding secondary supply laws.

## Key FARE funded research on secondary supply in NSW

- Sources of alcohol for underage and teenage binge drinking (University of Newcastle, Appendix A)

FARE provided funding to research undertaken by the University of Newcastle, which specifically explored the role of parents in supplying alcohol to 13- to 17-year-olds, as well as parental attitudes towards young people's drinking.<sup>10</sup> The study found that 70.6% of parents provided alcohol to their children, of which 40.8% was to be consumed under parental supervision.

Most parents used approaches they thought would minimise harm and promote healthy development in their children. However, parents were unclear of the NSW law relating to secondary supply and justified supply of alcohol to children in the home as a gradual, safe introduction to alcohol that would prevent future excessive drinking.

While several parents spoke about the 'law', they generally referred to their understanding that drinking under 18 years of age is illegal. This was a commonly held misinterpretation of the law in Australia. The parents generally had little understanding of the law surrounding alcohol consumption in private settings and secondary supply. Several parents described their impressions of the law, indicating clear misinterpretation e.g., one mother who reported that she would give her 16 year-old son two light beers to take to a party, and that she gave her 10 year-old a glass of orange juice with a splash of champagne in it for a birthday treat said "I know legally I'm not supposed to". Many parents referred to drinking "underage" and interpreted the law as "when they are 18 they can drink". Similarly, parents had little knowledge of guidelines regarding adolescent alcohol consumption, saying their decisions were based on their own values and discussions with friends, rather than external guidance.

The research also identified factors significantly associated with risky drinking among minors as being:

- parental supply of alcohol for drinking under the supervision of other adults;
- parental supply of alcohol for drinking with no adult supervision;
- number of close friends believed to have consumed alcohol in the past month; and
- identifying as Aboriginal or Torres Strait Islander.

The research recommended that further dissemination of the *Parenting Guidelines for Adolescent Alcohol Use* may be the first step in providing assistance, but it is likely that parents would require support to effectively adopt the recommendations. The guidelines recommend that parents 'build a support network with other parents', but this was not common among the parents in the study. Understanding the function of parents' social networks in the creation of behavioural norms relating to alcohol consumption and supply may be necessary to understand and prevent adolescent hazardous drinking.

- Supply Means Supply: Measuring the Effectiveness of an Underage Drinking Intervention Targeting Secondary Supply (NSW Police/University of Wollongong, Appendix B)

FARE provided funding to the NSW Police to carry out and evaluate the ‘Supply Means Supply’ campaign. The campaign involved in-school education, media advertising, marketing through signage in/around licensed premises coupled with increased police liquor licensing enforcement that targets the secondary supply of alcohol to underage persons. The evaluation was undertaken by the University of Wollongong and found that only 12 per cent of respondents ‘probably’ or ‘definitely’ saw the campaign, making it difficult to ascertain the true success of the campaign. However following the campaign, adults were significantly less likely to report being willing to purchase alcohol for a 17 year old for most of the scenarios they were presented with, demonstrating that there was some impact on attitudes.

The evaluation made recommendations on how to improve the implementation of the campaign in the future. These recommendations are valuable for the promotion of the current secondary supply laws or any changes to the secondary supply laws in the future. These recommendations included that in the future the campaign should:

- aim for a longer duration and higher intensity to increase community exposure to the message;
- provide more information about the laws and penalties;
- be run during the school term, and include school based education components;
- be run at a time when officers are less involved in other holiday operations, and allow sufficient consultation to ensure the integration of the campaign into police enforcement activities;
- be specific about which aspects of supply are illegal and emphasise how provision of alcohol to their child could result in the supply of alcohol to other minors;
- pre-test future campaign materials in order to ensure the message is clear and that the right message is being conveyed; and
- recognise and work with other organisations who are trying to change the cultural and social norms around alcohol consumption.

## Policy options

- Introduce irresponsible supply laws

The secondary supply laws currently in place in NSW state that it is acceptable for a minor to be supplied alcohol in a private setting by their parent, guardian or an adult who has obtained permission from their parent/guardian.<sup>11</sup> However, the laws do not make provisions to ensure that the alcohol is provided in a safe and responsible manner.

In QLD and Tasmania, there are ‘irresponsible supply’ laws which prohibit the unsafe provision of alcohol (e.g. excessive amounts) or the inadequate supervision of the minor’s alcohol consumption.<sup>12</sup><sup>13</sup><sup>14</sup> The legal parameters of Queensland’s irresponsible supply laws are clearly defined.<sup>15</sup> A ‘responsible adult’ is defined as a parent, step-parent, guardian or other adult who has parental rights and responsibilities of a minor. A range of factors are taken into consideration by police in deciding whether liquor is supplied to a minor in an irresponsible manner. These include whether the

supplying adult or minor is unduly intoxicated, the age of the minor, whether the liquor is accompanied by food consumption and the quantity and period of time with which the liquor was supplied. Adults convicted of irresponsible supply could face a maximum penalty of \$8,000.

- Raise awareness of the secondary supply laws

To address community confusion surrounding the issue of secondary supply, the NSW Government could conduct a public education campaign aimed at providing detailed information on the legalities of secondary supply. This campaign should be highly visible and accessible, and clearly communicate the legal consequences of secondary supply for both the suppliers and the minors themselves. The campaign should also build on the lessons for the implementation of the 'Supply Means Supply' campaign which was carried out by NSW in 2009 and 2010.

## Recommendations

1. That the NSW Government introduce 'irresponsible supply' laws to NSW, stating that the lawful supply of alcohol to minors should be conducted in a safe and responsible manner.
2. That the NSW Government works with other states and territories to develop nationally consistent secondary supply laws that are based on current best-practice in Australia.
3. That the NSW Government develops and implements a comprehensive public education campaign that informs the general public of the state legislation regarding supplying alcohol to minors. This campaign should incorporate the lessons learnt from the evaluation of the NSW Police's 'Supply Means Supply' campaign.

## Trading hours

There is a known link between extended trading hours of alcohol outlets and alcohol-related harms. In the United Kingdom, the relaxation in licensing laws to allow 24 hours trading in 2005 was associated with a 25 per cent increase in serious violent offences committed in the early hours of the morning.<sup>16</sup> In Norway, a study found that each one hour extension in on-premise alcohol sales was associated with an additional 4.8 assaults per 100,000 inhabitants per quarter.<sup>17</sup>

Recent restrictions introduced in the NSW City of Newcastle demonstrated how even modest reductions in the trading hours of licensed venues can reduce harms. In 2008, as a result of escalating local concern about alcohol-related violence, the NSW Liquor Administration Board imposed a number of restrictions on 14 licensed premises in Newcastle. The most notable of these restrictions were the imposition of a lockout from 1.00am for 14 hotels, and bringing forward the closing time to 3.00am for the 11 premises that were previously licensed to trade until 5.00am and to 2:30am for the three premises that had previously been licensed to trade until 3.00am. Other requirements of licensees included:

- The development of a Plan of Management within six weeks of the ruling;
- The need to arrange for independent audits to be carried out on a quarterly basis to ensure compliance with this Plan of Management;

- A prohibition on the sale of shots, mixed drinks with more than 30ml of alcohol, ready mixed drinks stronger than five per cent alcohol by volume after 10.00pm;
- A prohibition on the sale of more than four drinks to any patron at one time and a requirement to provide free water stations on every bar;
- Assurance that patrons did not stockpile drinks;
- Ceasing the sale of alcohol 30 minutes prior to closing time; and
- An agreement to share a radio network to enable management and security of each hotel to communicate with one another.

An evaluation performed 12 months after the introduction in these restrictions in Newcastle found a 29 per cent reduction in assaults after dark.<sup>18</sup> Three years after the restrictions were introduced there was a 35 per cent reduction in night-time non-domestic assaults requiring police attention and a 50 per cent reduction in night-time street offences.<sup>19</sup> Furthermore, there has been no evidence to suggest a displacement of alcohol-related violence to nearby areas not subject to the restrictions, and there was no evidence that any community members or patrons objected significantly to the reductions in trading hours.<sup>20</sup> Indeed, a recent poll found that 85 per cent of people from NSW support the introduction of a 3.00am mandatory closing time.<sup>21</sup>

Reducing trading hours as a strategy to reduce alcohol-related harms has been raised in countless government reviews and inquiries, including the Preventative Health Taskforce Report and the Queensland *Inquiry into Alcohol-Related Violence*. The final report from the 2010 *Inquiry into Alcohol-Related Violence* concluded that:

‘We have to ask whether society can afford these costs and carry them to support the economic benefits. On balance, the benefits are outweighed by the great costs – social and economic – involved. The extent of alcohol-related violence and other harms is such that a reduction in hours is appropriate’.<sup>22</sup>

## Policy options

- Trial the Newcastle restrictions across NSW

Frontline workers such as police, hospital staff and emergency services bear the brunt of alcohol-related violence. The *Last Drinks* campaign was established by four major organisations representing emergency service workers in NSW, in response to growing concern over alcohol-related violence in the course of their work. In light of the recent success of the Newcastle restrictions, the campaign is calling for a state-wide trial of reduced opening hours with imposed 1.00am lockouts and restrictions on the sale of strong drinks after 10.00pm. The campaign also proposes that a model management plan based on the Newcastle trial be adopted by licensed venues and an evaluation of the impacts of these measures on violent crime be conducted.<sup>23</sup>

- Introduce moratoriums on late night trading venues

A moratorium precludes new licensed premises or types of licensed premises (e.g. late trading premises) being opened in a specified area. In 2009, the Queensland (QLD) Government introduced a moratorium on applications for extended hours between 12.00 am and 5.00 am. The moratorium applied to all extended trading hours application currently before the QLD Office of Liquor Gaming

Regulation. The moratorium was originally in place for 12 months and has now been extended until December 2013.

- Introduce a risk-based licensing regime

Risk based licensing (RBL) fees are fees for licensees based on factors that are considered to increase the risk of harms such as increased trading hours and occupancy levels. RBL fees have been introduced in a number of jurisdictions in Australia including the Australian Capital Territory (ACT), QLD, and Victoria with RBL currently under consideration in the Northern Territory.

The rationale for RBL is for liquor licensing fees to recoup the policing costs caused by alcohol-related violence in entertainment precincts, with individual venues required to pay fees commensurate with their likely risk and scope of alcohol-related harm.

For example, in December 2010, the ACT introduced a model of RBL which sets liquor licensing fees for “on-premise licenses” based on premise trading hours, occupancy level, and amount of liquor purchased, each of which have been shown to correlate with levels of alcohol related harm.

## Recommendations

4. That the NSW Government introduce a 12 month statewide trial based on the Newcastle alcohol restrictions, including:
  - Introducing a common 3.00am closing time for all pubs and clubs with extended trading licence conditions across NSW;
  - Applying lockouts at all extended trading licensed premises from 1.00am;
  - Prohibiting the sale of shots, mixed drinks with more than 30ml of alcohol, ready mixed drinks stronger than five per cent alcohol by volume after 10.00pm; and
  - Prohibiting the sale of more than four drinks to any patron at one time and a requirement to provide free water stations on every bar.
5. The trial should be independently evaluated to ascertain the social and economic effects of these trading controls. The data collection requirements for this independent evaluation should be in place from the commencement of the 12 month trial.
6. That the NSW Government adopts a state-wide moratorium of late-night alcohol licensed premises trading after midnight.
7. That the NSW Government introduces a risk-based licensing fee structure that considers the trading hours of the licensed venue.

## Outlet density

There is an association between alcohol outlet density and negative alcohol-related outcomes.<sup>24 25</sup> The most recent Australian research on alcohol outlet density has been undertaken by Michael Livingston at the Centre for Alcohol Policy Research (CAPR). Livingston's research examined the effects of alcohol outlet density in Victoria on several measures of alcohol-related harm including assault, domestic violence, chronic harms and high risk drinking in young people.

Livingston's research found that:

- There was a strong association between reported assaults and all three outlet types, general licences, on-licence and off-licence.<sup>26</sup> A 10 per cent increase in general licence rates in an area would increase assault rates by 0.6 per cent, while a 10 per cent increase in packaged licence rates would increase assault rates by 0.8 per cent.
- There was a strong association between domestic violence and the density of packaged liquor outlets.<sup>27</sup> A 10 per cent increase in off-licence liquor is associated with a 3.3 per cent increase in domestic violence. Increases in domestic violence were also apparent with general (pub) licences and on-premise licences, although the effect was more modest.
- Density of packaged licences was positively associated with chronic diseases attributable to alcohol, such as liver disease and alcoholic cardiomyopathy.<sup>28</sup> There was also a small but significant relationship between on-premise licence density and chronic disease. A 10 per cent increase in the rate of packaged licences would result in a 1.9 per cent increase in alcohol-attributable hospitalisations, and a 10 per cent increase in the number of on-premise outlets would result in a 0.5 per cent increase in alcohol-attributable hospitalisations.
- Higher packaged licence density in a young person's neighbourhood was associated with their propensity to drink at high risk levels.<sup>29</sup> It was estimated that in a hypothetical neighbourhood with 1,000 16-24 year old drinkers, the addition of one bottle shop would result in six extra young people drinking at high risk levels.

Internationally, increased outlet density has also been linked to higher rates of road traffic accidents, drink driving or being a passenger of a drink driver, robbery, homicide, suicide (both attempted and completed), child maltreatment, deviant adolescent behaviours, sexual offences and sexually transmitted infections.<sup>30</sup>

There are a large number late trading licensed venues in NSW, and this is most apparent in the City of Sydney. In the City of Sydney there are currently 2,205 licensed venues in Sydney; 287 can trade 24 hours and 666 trade after midnight.<sup>31</sup> The large number of trading venues and late night trading hours is concerning as the evidence clearly indicates that an increased number of outlets and increased trading hours result in greater harms.

### Policy options

- Freezes on new liquor licenses

The City of Sydney currently has in place a liquor freeze for precincts in the Sydney Local Government Area (LGA) with active night-time economies. This freeze prevents further liquor licenses (both on- and off-licenses) being granted for areas with high density and associated alcohol-related problems.

Given that, according to a recent study's calculations, the introduction of one extra alcohol outlet per hectare in the Sydney LGA would result in an additional 4.5 assaults per year,<sup>32</sup> this action by the City of Sydney is relevant, timely and commendable. However, this is just a short-term solution to a long-term problem and while the freeze is in place there is a need for consideration of longer term solutions to curb alcohol-related violence by limiting the density of alcohol outlets.

- Legislated cluster controls and saturation zones

“Cluster controls” prohibit new liquor licenses for premises within a specified distance of existing licensed premises or other amenities (e.g. schools, hospitals, churches or places of religious worship etc).<sup>33</sup> The rationale for such cluster control is to ameliorate the potentially negative cumulative impact of areas with high outlet density on public health, violence and crime.

There are many examples of this internationally, for example in England and Wales, Paris and New York. New York has enacted ‘cluster controls’ through their *Alcohol Beverage Control Act*. Since 1993 the legislation has included the “500 foot” (150 metres) rule which prohibits new on-premises licenses being issued within a 500 foot radius of three or more existing licenses.<sup>34</sup> Similarly in Paris under the *Code de La Sante Publique* (public health legislation), there are protected areas within which new liquor licenses are prohibited if they are within 75 metres of a licensed premise of the same category.<sup>35</sup>

Since 2005 in England and Wales, local authorities (typically a council or borough) have been able to establish “saturation zones” within their licensing policies where no new licensed premises are permitted.<sup>36</sup> These saturation zones are determined on the basis of existing outlet density levels and crime data including domestic violence statistics. The establishment of saturation zones and the basis for these zones is at the discretion of the individual local authority, but is not enacted in the National Licensing Act. Also, licence applicants have the right to appeal if they apply for a licence in a saturation zone and are refused.

In Australia, the Victorian Government has taken steps to give greater consideration to the negative cumulative impacts of high outlet density as part of liquor licensing and planning decisions.<sup>37</sup> Most outlets that sell liquor are required to have both a planning permit from the local council and a liquor licence from the Victorian Commission for Gambling and Liquor Regulation.<sup>38</sup>

Since August 2011, the *Victoria Liquor Control Reform Act 1998* has required licensing authorities to take into account cumulative impacts when deciding whether to grant liquor licenses.<sup>39</sup> Assessment criteria under the Act includes: any cumulative impact assessment already undertaken by the responsible planning authority; the numbers and types of existing licensed premises in the area; existing patron behaviour issues involving intoxicated persons; current enforcement proceedings against existing licensed premises in the area; and available public amenities such as transport. Applications for liquor licensing can be rejected if they are deemed to have a negative impact on the amenity of an area. However in the Victorian context, few objections to liquor licenses appear to have been made.<sup>40</sup> It is unclear what the reason is for this. It may reflect community approval for more licensed premises, or the more likely explanation is that it is highly costly for local councils to pursue objections to new liquor licenses, and they are not specifically funded to do this.



## Recommendations

8. That the NSW Government extends the freeze on the provision of liquor licences in the City of Sydney.
9. That the NSW Government introduces cumulative impact and cluster control policies for the determination of new liquor licence applications in the NSW *Liquor Act 2007*.
10. That the NSW Government considers establishing and enforcing saturation zones in areas that are identified as already having large numbers of liquor licences.

## Evaluation and data collection

Evaluation processes should form an integral part of the implementation of any alcohol-related policies. Without an appropriate evaluation framework in place, the efficacy of trials and policy initiatives cannot be properly assessed. This means a loss of valuable information that could be used to assess the effectiveness of a new policy and to guide future policy directions.

Data collection is a fundamental tool in the evaluation process. Strong reliable data enables a more complete analysis of the impacts that changes in alcohol policy have had on the relevant outcome measures. One correlate of alcohol-related harm is per capita consumption, which is best measured by alcohol sales data.

NSW is currently one of three Australian states or territories that do not collect wholesale alcohol sales data. This is concerning because alcohol sales data provides us with the most accurate picture of what Australians drink, which in turn enables researchers and policy makers to develop, implement and track the progress of evidence-based alcohol policies.<sup>41</sup>

The World Health Organization (WHO) recommends that to provide a more comprehensive picture of alcohol consumption, well-conducted population level surveys of alcohol consumption need to be complemented by credible estimates of per capita alcohol consumption derived from alcohol sales data.<sup>42</sup> Alcohol consumption for NSW is available through population level surveys such as the National Drug Strategy Household Survey. However, while national estimates of per capita consumption (which is primarily based on tax system data) are available, NSW specific data cannot be extricated from this.

However, alcohol sales data does not provide the full picture of the impact of alcohol on alcohol related harms, therefore harms data is also required. Data on alcohol-related harms comes from a number of sources including police data, hospital data and ambulance data. Data needs to be effectively coded and recorded for evaluations to appropriately determine the impact of policies on changes in alcohol consumption and also changes in alcohol-related harms.

## Policy options

- Develop a consistent evaluation framework for all alcohol-related policies

A consistent evaluation framework should be developed and implemented to assess all policy initiatives in NSW. The framework should include outcome measures before, during and after the introduction of the initiative. The results of all evaluations should be widely disseminated to the relevant stakeholders and should be considered in the continuation or improvement of a policy initiative.

- Collect alcohol sales data

Alcohol sales data is an essential element of per capita consumption estimates, which in turn provides an important correlate of alcohol-related harm. Based on the experiences of other jurisdictions that collect wholesale data, the introduction of wholesale data is a straightforward cost-effective process with minimal industry impacts.<sup>43</sup>

Sales data that is currently collected by other jurisdictions is provided to the National Alcohol Sales Data Project (NASDP)<sup>44</sup>. This project, funded by the Department of Health and Ageing, is ongoing and involves the construction of a nationwide database of alcohol sales data, with a view to refining per capita consumption estimations.

## Recommendations

11. That the NSW Government develops an evaluation framework for the assessment of all future alcohol-related policies.
12. That the NSW Government mandate the collection of alcohol sales data in NSW and contribute the data to the National Alcohol Sales Data Project.

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**Foundation for  
Alcohol Research  
& Education**

Level 1  
40 Thesiger Court  
Deakin ACT 2600

PO Box 19  
Deakin West  
ACT 2600

[www.fare.org.au](http://www.fare.org.au)