



Alcoholic Beverages Advertising Prohibition Act 2015

Portfolio Committee No.1 Premier and Finance
12 January 2018

RE: Post-hearing responses required by Monday 8 January 2017 (extension to 12 January)

Answers to the questions on notice taken during the hearing

Q: *The Hon. Adam Searle: ‘We have had some evidence given to us by ABAC and others, which is that the standards that apply are meant to make sure that when viewing the advertising of alcoholic products you did not take away messages of social success, sexual attraction, social status being associated with certain products. We have had some evidence that that is, in fact, exactly the message that young people who are exposed to alcohol advertising are themselves taking away. When young people are exposed to these ads and are asked, ‘What messages do you derive?’ it is exactly what the ABAC code and the promoters of alcohol tell us they are exactly trying to avoid. We have got the evidence about what you are trying to do and we are also getting the evidence that it seems to be having the reverse effect. So if we are not to adopt a sort of cynical attitude about the true intentions of the alcohol industry, what should we make of this evidence that we have got?’*

A: As outlined in the OMA’s submission, Australia’s Out of Home (OOH) advertising industry has its own code that restricts the placement of alcohol advertising within 150 metres of schools, to reduce the risk of youths being exposed to alcohol advertising. OMA members are further required to seek pre-vetting of all alcohol advertising prior to its display to ensure creative published by our members is in line with community standards. This goes beyond what is established by ABAC which is otherwise a voluntary Code.

This is evidence that the OOH industry is committed to ensuring it meets standards.

When you consider the recent study by prominent health advocate, Professor John Toumbourou, of 41,000 Australian adolescents, it shows a significant decline in the number of high school students that have consumed alcohol (from 70% in 1999 to 45% in 2015). This suggests that the standards applied by the OOH and other media sectors are working.

There are two points that we would like to make about the research that has been presented by the proponents of alcohol advertising prohibition.

Firstly, the research mentioned is focused primarily on other forms of advertising, namely social media and television and as such should not be applied to OOH advertising.

Secondly, this research and other research reports presented to support the case for the bill has been selective.

Research into the impact of alcohol advertising has focused on different advertising mediums and that research has been subject to questions of bias.

For example, Jones, S. and Magee, C. *Exposure to alcohol advertising and alcohol consumption among Australian Adolescents. Alcohol Alcoholism.* 46(5):630-637. 2011, which was referenced in the submission from the Alcohol Policy Research Centre, was called into question in the same journal, *Alcohol and Alcoholism*.

In the Journal, Executive Director at Alcohol Health Watch and Research Fellow at Auckland University, Nikki Jackson, says: "I am concerned about the number of significant findings which receive no discussion or interpretation within the article...I am concerned that the authors have chosen to discuss only the findings in their study which confirm their beliefs regarding the harmful impact of alcohol advertising...Ignoring unfavourable data within research can be considered as confirmation bias." (*Alcohol and Alcoholism, Volume 47, Issue 1, 1 January 2012, Pages 79*).

For every bit of research claiming that bans work, there is another that finds them to be ineffective.

A paper by Cochrane – a global independent network of researchers, professionals, patients, carers that gather and summarise the best evidence from research to help health professionals make informed choices about treatment, states: "There is a lack of robust evidence for or against recommending the implementation of alcohol advertising restrictions."

The independent group of respected health practitioners and researchers **cannot recommend for or against** alcohol advertising bans.

The Cochrane report also says: "Any government considering implementing alcohol advertising bans would be advised to implement the ban in a research environment and monitor the effects over time to build the evidence base before entering into a full ban." (*N Siegfried, D Pienaar, J Ataguba, J Volmink, T Kreda, M Jere and C Parry, 'Restricting or banning alcohol advertising to reduce alcohol consumption in adults and adolescents' (2014), <http://onlinelibrary.wiley.com/doi/10.1002/14651858.CD010704.pub2/abstract;jsessionid=0F269879AD8169A1452368E6F703B2D8.f04t02>*)

Q: *The Hon. SCOTT FARLOW: The small craft brewers, distilleries or small vineyards that have come onto the scene, would those groups advertise with you in the outdoor space largely? Is that one of the key channels for building up their brand and product offering, and therefore their business?*

A: Out of Home (OOH) is a proven and powerful medium that can help businesses of all sizes build their brand and product awareness in a cost-effective way, when compared to other mediums.

Australia's small craft brewers, distilleries or vineyards are among the many small businesses that rely on OOH as part of their marketing plan, as it presents them with an opportunity to compete against larger multi-national companies that often dominate other mediums.

While the OMA is unable to quantify the exact number of these small businesses, we can say that there are many small craft brewers, distilleries and small vineyards who have been able to make their passion a viable business by using OOH to promote their product to a position where they are able to compete in the market.

Take for example Newstead Brewing Co – a premium Craft Beer and Cider company – that used OOH advertising to expose the brand to more people than its initial small band of followers. Newstead Brewing Co's director, Michael Conrad said, "Using outdoor advertising

gave us the chance to be seen by a lot of people very quickly and the results were great!". Today the company is a serious player in the craft beer market, helped by the exposure delivered by the OOH campaign.

Another, more established brand, Coopers Brewery, has grown to become one of the largest independent brewers in the country supported by numerous OOH campaigns that have helped it compete against larger international brewers that dominate mainstream advertising.

There are a number of smaller NSW brewers and winemakers that have used OOH campaigns in recent times. Some examples of which are displayed below.

If OOH was taken away as a channel for these businesses to use they would be restricted in how they could build awareness of their brand and encourage existing consumers of alcohol to try their product in an effective way and within budget.



Additional information

1. The rational for opposing the Advertising Prohibition Bill

The Alcohol Advertising Prohibition Bill not only will not achieve its stated objectives, but stands to impact on the economy, infrastructure and threaten existing and emerging legitimate businesses.

Worse still, the Bill plays into the hands of large digital media companies – such as Google and Facebook – who will benefit from increased online advertising dollars while other media are forced to reject advertising this legal product.

Already, online media is not only more difficult to regulate but has more usage by minors than any other media. The Australian Communications and Media Authority (ACMA), reported mobile ownership in 2016 for 14-17 years old to be 89%, compared with 76% across all Australians. And 69% of mobile phone users have a smartphone.

Any change to the current regime – especially one which singles out only one part of the media landscape – will not deliver on its objectives, namely to “encourage a healthier lifestyle” and reduce alcohol consumption.

Prohibition of any kind has been proven time over to be an ineffective policy lever to deal with harm.

Not only is it a flawed policy approach, but it is also one with numerous adverse impacts – on Government revenues, on the investment OOH operators make into community contributions and on the sustainability of small emerging alcohol related businesses.

2. The importance of education: OMA-Drinkwise partnership and upcoming campaign

Parents and peers are the main influencers of drinking behaviour. Therefore, the OMA asserts that education is the missing link in this Bill.

OMA members support important community awareness campaigns to promote responsible behaviour, such as not driving under the influence, among other wide-ranging harm minimisation campaigns.

We understand the important role we play and therefore actively engage in being part of the solution. One such program is that the OMA has partnered with DrinkWise to use Out of Home signs to deliver an Australia-wide education campaign on the responsible consumption of alcohol.

As DrinkWise CEO John Scott noted, the key to that organisation’s success is talking to at risk groups in their language, where they are.

It is our intention, post our campaign with Drinkwise, to collaborate with the NSW Health Department on key messaging for future targeted campaigns in the State.

3. Further enhancing processes restricting alcohol advertising near schools

OMA members must also abide by the OMA Alcohol Advertising Guidelines, which stipulate:

- OMA members only accept copy for alcohol advertising that has been approved for display through the Alcohol Advertising Pre-Vetting Service (AAPS).
- No alcohol advertising on fixed sign within a 150m sightline of a primary or secondary school.

This year, we realised that there was a missing piece in the work we do as the industry association. There have been a handful of cases where an alcohol advertisement was placed in the sight-line of a school. These were mistakes: in one case, it was a software malfunction, in another, it was a school relocation. **However**, we don't believe that it is not enough to expect our members to comply with the code without investing in the best tools to help them.

Since July this year, the OMA has invested in new technology to map all primary and secondary schools in Australia (using PSMA government data). Schools can be seen in relation to signs in our audience measurement system, MOVE. Going forward, the OMA will run compliance to independently report on any alcohol ads displayed within a school zone.

The OMA is serious about its role in supporting self-regulation, and this sees us reading all relevant ASB and ABAC case reports to check prevailing community standards. We offer pre-vetting advice and training to our members to ensure what they post meets the requirements of the AANA and ABAC codes.