



**Standing Committee on Social Issues  
Inquiry into Strategies to Reduce Alcohol Abuse  
Among Young People**

**Response to Supplementary Questions and  
Questions on Notice.**

**Prepared by  
The Liquor Stores Association  
(LSA)**

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**For Further information please contact**

**LSA**

**Terry Mott – CEO**

**23 July 2013**

## **STANDING COMMITTEE ON SOCIAL ISSUES INQUIRY**

### **STRATEGIES TO REDUCE ALCOHOL ABUSE AMONG YOUNG PEOPLE IN NSW**

#### **Supplementary questions: Terry Mott, Liquor Stores Association of NSW**

*1. The Commission for Children and Young People suggested in their submission (sub 46, p 2) that 'strategies that restrict physical availability such as reducing outlet density and opening hours' have proven effective in preventing alcohol related harm. What is your view on this suggestion?*

LSA NSW does not agree with the suggestion that reduction of outlet density and opening hours are effective in preventing alcohol harm. It is impossible to generalise that there is any causal link to social harm as a result of liquor licence density, in every location across all licence types and communities.

This was reaffirmed by the findings of the recent review of Outlet Density undertaken by the Allen Consulting Group for the NSW Office of Liquor, Gaming & Racing on behalf of the NSW Independent Liquor & Gaming Authority.

The impact of licence density in one location will be completely different to that in another location, and it is not solely about the number of licences – it is about the type of liquor licence, the individual operators, the customers they attract, how the business is operated, the local community and the level of enforcement within that community, plus the nature of other controls.

Recent ABS data confirmed that despite a growing population, and an increase in the number of outlets, the overall apparent per capita consumption has declined for the fourth year in a row, and the overall volume of pure alcohol sold has also dropped in the last reported year.

The introduction of new retail outlets does not introduce new drinkers – it simply provides the existing drinkers with more choice. As reinforced by the ABS data, and NSW Office of Liquor gaming & Racing database, while the number of outlets has risen significantly (In NSW from 1,680 Packaged Liquor Licences in 2008 – to now over 2,200 Packaged Liquor Licences in 2013), there is clearly no evidence that a consumer drinks more because there are more places to drink or to purchase alcohol.

The 2010 National Drug Strategy Household Survey<sup>1</sup> showed that the second least supported policy measure was for reducing the number of outlets that sell alcohol. This indicates that the general public is comfortable with an expansion of outlets as it provides greater accessibility, convenience and competition.

The majority of people who consume alcohol do so responsibly, and the problems arising from excessive consumption of alcohol are caused by a minority group only. Liquor outlets have the potential for significant positive social impact in serving this legitimate community demand.

<sup>1</sup> AIHW 2011. 2010 National Drug Strategy Household Survey report. Drug statistics series no. 25. Cat. no. PHE 145. Canberra: AIHW Page 175 Table 13:4

It is often difficult for some people to separate the social impact and implications of liquor licence density, along with the lack of credible evidence of a causal link to alcohol misuse, from the economic implications of a highly competitive marketplace.

*2. What role do your members have in ensuring that alcohol purchased in their stores is not supplied to minors?*

LSA NSW and our members recognise that the sale of alcohol brings with it considerable responsibilities. Many of these responsibilities are reinforced by legislation which seeks to protect individuals and the community from the harm caused by excessive consumption of alcohol.

Government surveys highlight that Evidence from Government surveys consistently says that the vast majority of underage drinkers obtain any alcohol through parents, friends or older siblings of legal purchasing age in fact the Australian Institute of Health & Welfare (AIHW) 2010 National Drug Strategy Household Survey Report published in July 2011 highlights that **only 0.4% of 12 – 17 year olds obtained their first alcohol beverage by purchasing (e.g. from a licensed liquor store outlet).**

Our members have a responsibility to conduct photo ID checks of any customer they believe to be under 25 years of age, and to refuse service if they believe that an adult is purchasing alcohol on behalf of an underage person.

The issue of refusing service, particularly to parents, when our members believe secondary supply is taking place is one of the biggest challenges liquor retailers and their employees face. Refusal often results in the employee being subjected to aggressive and threatening behaviour. Our members have the trust of trying to enforce the refusal of service in suspected cases of secondary supply often without any onus of responsibility felt by the person attempting to purchase alcohol on behalf of the minor.

It is simply not in our member's best interests to breach this regulation as they face a maximum potential penalty of \$11,000 for supplying alcohol to a person under the age of 18 years.

To assist our members industry initiatives have been developed to raise the awareness of their staff, and their customers of the consequences of supplying alcohol to minors. Our members are encouraged to display the "ID-25" to educate customers and to remind staff that if a person looks under 25 the customer should take it as a compliment that they will be asked for an ID check. "Don't Buy it For Them" is another campaign which highlights the penalties that exist in each state and territory, and act as a reminder for the parent, other adults and for liquor store staff of the potential penalties if a person supplies alcohol to anyone under the age of 18 years.

LSA NSW supports evidence based initiatives to focus on the major problem area of secondary supply and to promote education of the community including parents of their responsibility to not supply alcohol to minors.

LSA NSW distributed the Australian ID Checking Guidelines to all members in May 2010 to provide our members, and their staff, with updated information in checking ID's as part of our initiatives to reduce the sale of alcohol to minors.

LSA NSW regularly reinforces these measures to our members and their staff via our member magazine and other member communications to ensure they do not serve minors, and to be on the lookout for attempts at secondary supply.

LSA NSW Member Packaged Liquor Licensees have a proven track record over many years, of zero to an extremely low number of breaches under the NSW Liquor Act and importantly still ZERO Packaged Liquor Licence outlets with any Strikes under the NSW Three Strikes Legislation.

*Examples of articles in LSA NSW Action Packed member magazine to reinforce secondary supply*

### LSA NSW supports 'Supply Means Supply' campaign

On the 21st December 2009, NSW Police launched 'Supply Means Supply', an in-store point-of-sale and advertising campaign taking place across key metropolitan and regional NSW.

LSA NSW agreed to support the campaign as it is very supportive of our 'ID-25' and 'Don't Buy It For Them' initiatives currently being run across NSW by LSA NSW and nationally by ALSA.

The campaign consisted of TV commercials, radio, street press, local papers, posters in licenced premises and internet advertising.

14 actionpacked • January–march 2010

### Minister offers ID Checking Guides

LSA NSW CEO Terry Mott received a letter from Kevin Greene MP, Minister for Liquor, Gaming & Racing recently congratulating LSA NSW and ALSA on their individual responsibility initiatives 'ID-25' and 'Don't Buy It For Them', which encouraged members to take extra steps to reduce the risk of selling alcohol to minors.

In his letter, Minister Greene referred to research conducted by the NSW Office of Liquor, Gaming & Racing in 2007, involving 142 audits of 70 liquor stores in NSW. This research indicated that a significant percentage of NSW liquor stores in the audit sold alcohol to youthful purchasers without checking for ID.

In an effort to work more closely with Industry, and to

help support initiatives that reduce the sale of alcohol to minors, Minister Greene has very kindly offered a complimentary **Australian ID Checking Guide** (pictured), valued at \$10 to all LSA NSW members.

Your annual Member 'Survival' Packs were distributed recently and inside each pack you will find your complimentary store copy of the Australian ID Checking Guide.





## LSA NSW takes community education and individual responsibility seriously

LSA NSW, in conjunction with the Australian Liquor Stores Association (ALSA) have developed and implemented two (2) Community Education programs:

ID-25 and Don't Buy It For Them, using in-store point of sale posters, staff uniform name badges, window decals and supported in retail banner group advertising.

We strongly encourage LSA NSW members to support these initiatives.

More information about these initiatives can be found on the LSA NSW website [www.lsansw.com.au](http://www.lsansw.com.au).

### ID-25

The ID-25 program is designed to educate customers that if they look under 25 to take it as a compliment and they will be asked for proof of age ID, to deter underage attempts at purchase, remind the public that the legal drinking age is 18, and to remind staff to be vigilant.



### Don't Buy It For Them

The second community education program uses in-store point of sale posters, and is again supported by retail banner group advertising. Don't Buy It For Them educates adults that they have an important role to play in ensuring they do not buy on behalf of a minor – it is not only the licensee that is responsible! It highlights the fines that apply to secondary supply.

LSA NSW agrees with enforcing and communicating the offence of secondary supply by members of the community, as liquor retailers have the frustration of trying to enforce the refusal of service in suspected cases of secondary purchase and supply, often without any onus of responsibility being felt by the person buying on behalf of a minor.

Police need to both enforce and publicise the enforcement of secondary supply legislation so that adults understand they have a role to play and need to rethink their legal and ethical responsibility and possible penalties that could arise from secondary purchase and supply – it is not only the responsibility and liability of the licensee and their staff.

Any LSA NSW member willing to promote these community education and social responsibility initiatives can receive their COMPLIMENTARY STORE KIT simply by contacting the LSA NSW office – we will send it to you in the mail.

## Underage drinking in Australia... ...is becoming a hot topic of debate.

By Cath Peachey, CEO DrinkWise Australia



It's a complex issue that needs Government, industry and the community to work together – right down to the family unit.

Emerging science about the impact alcohol has on the developing brain has led some Australian academics and experts in brain science to call for Government to lift the minimum drinking age from 18 to 21 years.

Underage drinking is a complex policy area, and any regulatory approach to changing the way we drink alcohol needs to be supported with education that encourages behavioural change and voluntary compliance.

Despite current laws prohibiting under 18-year-olds buying alcohol and drinking on licensed premises, evidence shows that kids are drinking long before they reach this age.

The average age of initiation to alcohol is now 15.5 years and very few kids purchase alcohol themselves - with just six per cent of males and four per cent of females having bought their last alcoholic drink.

Research tells us that parents are the main source of supply. Their intentions are good. They are trying to take charge of teaching their children responsible drinking behaviour in a country where drinking alcohol is viewed as a 'rite of passage' from youth to adulthood; and, where this 'rite of passage' has been creeping forward.

Education is key to changing this trend. When it comes to secondary supply, retailers report that many parents are still unaware that it is illegal to supply under-18s with alcohol, or they are confused about the law. The fact that the laws on



secondary supply vary from state to state adds further confusion to this vexed issue.

Woolworths' Liquor Licensing Manager, Shane Tremble, said in a recent national television interview that one of the group's biggest issues from a responsible service point of view was parents who felt they had a right to buy alcohol for their teenagers and thought that it was none of the retailer's business what they (the parents) did with it.

Mr Tremble did not support this argument and said, as responsible suppliers, retailers had to play their part in making sure alcohol didn't fall into the hands of minors.

While the law provides retailers with the right to refuse sale of alcohol when they suspect it is being purchased for underage drinkers, it is a difficult call to make for retail staff who are often younger than the parent customer.

Meanwhile, kids have perceived their parents' occasional permission as endorsement to drink, with 39 per cent of 14 to 15 year olds indicating that their parents believe it's ok for them to drink as long as they do it responsibly.

The end result is an emerging culture where it is 'normal' to drink young, despite the law. And, as a community it is time to think about the kind of culture we want.

DrinkWise has and is taking action. Our campaign, 'Kids and Alcohol don't Mix', informs parents that alcohol can cause lasting damage to the developing adolescent brain and encourages parents to delay their kids' introduction to alcohol for as long as possible.

*3. In your evidence you stated that the problem is enforcement of legislation that is already adequate in addressing the secondary supply of alcohol to young people. Do you see a role for the LSA, in conjunction with the Police, in developing strategies to facilitate the enforcement of secondary supply laws?*

LSA is happy to continue work with Police and other stakeholders to develop evidence-based strategies to facilitate the enforcement of secondary supply.

LSA promoted the Police “Supply means Supply” campaign, an in store point of sale promotion to raise adults awareness of the penalties of purchasing and supplying alcohol to minors.

The current laws on the supply of alcohol to minors by parents and guardians are not well understood and do not provide sufficient guidance to parents and the community. We believe that an education program of raising community awareness re the penalties for secondary supply, in combination with strengthened Police enforcement in this area, along with publicity of any convictions, will contribute towards the further reduction of provision of alcohol to minors.

Police need to both enforce and publicise enforcement of secondary supply so that adults understand that they have a role to play and they will rethink their legal and ethical responsibilities and the possible penalties that may arise from secondary supply – it is not only the responsibility of the licensees and their staff.



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### **STRATEGIES TO REDUCE ALCOHOL ABUSE AMONG YOUNG PEOPLE IN NSW**

#### **Questions on notice: Terry Mott, Liquor Stores Association of NSW**

*Do you know much about the background associated with the work done by the organisation with respect to the (drink driving) campaign that was developed?*

Unfortunately in the timeframe, we were not able to locate detailed information about the work done by LSA NSW in relation to the drink driving campaign. As a responsible supplier of alcohol LSA NSW (we understand) made a submission that supported the concept of the drink drive campaign and supported it publicly at the time.

*Would you also be able to identify, if it is there, any financial contribution or payment or other commitment made by the association to that campaign, which was obviously done co-jointly with other stakeholder groups?*

We have found no evidence that LSA NSW made a financial contribution to the drink drive campaign.

*You made reference to the Industry View on Beverage Alcohol Advertising and Marketing prepared for WHO by ICAP. Could you provide that to the Committee?*

Copy attached – refer page 9, item 27.

*How come we are restricted from advertising alcohol products during certain hours except live broadcast of sporting events when the same child who cannot see the same advertisement at home goes to the supermarket this afternoon and can see the advertisements there?*

We understand this is not normal practice however any in-store advertisements, whether it be in a packaged liquor store or adjacent to a supermarket, are intended to target the segment of the market that are legally permitted to purchase alcohol, i.e. adults over 18 years of age, and are intended to promote brand differentiation, brand switching and increase market share. Retail price advertising forms the vast majority of retail ad boards and store displays.

NSW packaged liquor licence requires that if a business is carried out on the premises besides the sale of alcohol, alcohol may only be sold in a separate area of the premises – for example in a supermarket the alcohol sales area, including cash registers etc. must be separate from other parts of the supermarket. Liquor advertising does not appear within the supermarkets. Product and price advertising placement is on the external walls of the stores the same as most other packaged liquor outlets including hotels and liquor stores, not just those associated with supermarkets.