

Submission  
No 42

**INQUIRY INTO STRATEGIES TO REDUCE ALCOHOL  
ABUSE AMONG YOUNG PEOPLE IN NSW**

**Organisation:** Distilled Spirits Industry Council of Australia

**Date received:** 7/03/2013

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# Distilled Spirits Industry Council of Australia

## Submission to the Inquiry into strategies to reduce alcohol abuse among young people in NSW

### TERMS OF REFERENCE

That the Standing Committee on Social Issues inquire into and report on strategies to reduce alcohol abuse among young people in NSW, and in particular:

- a) The effect of alcohol advertisements and promotions on young people, including consideration of the need to further restrict alcohol advertising and promotion.
- b) The effectiveness of alcohol harm minimisation strategies targeted at young people
- c) Measures to minimise the impact of alcohol in the workplace
- d) The effectiveness of measures to reduce drink driving
- e) Measures to reduce alcohol related violence, including in and around licensed venues
- f) Measures to address the impact of alcohol abuse on the health system
- g) Any other related matter.

This submission will focus on the following terms of reference:

- a) The effect of alcohol advertisements and promotions on young people, including consideration of the need to further restrict alcohol advertising and promotion
- e) Measures to reduce alcohol related violence, including in and around licensed venues

Whilst the other terms of reference are recognised as being of importance, the issues of alcohol advertising and promotion, and measures to reduce alcohol related violence in and around licensed venues are particularly relevant to the Distilled Spirits Industry Council of Australia (DSICA).

The submission contents reflect the policy contained in DSICA's publication *Alcohol in Context* published in 2011 and containing detailed analysis of the social policy environment in Australia with respect to alcohol. *Alcohol in Context* also provides policy

suggestions for encouraging moderation in the use of alcohol and reducing alcohol misuse and abuse, and a copy is attached.

## **Distilled Spirits Industry Council of Australia (DSICA)**

The Distilled Spirits Industry Council of Australia Inc. (DSICA) is the peak body representing the interests of distilled spirit manufacturers and importers in Australia. DSICA was formed in 1982, and the current member companies are:

- Bacardi Lion Pty Ltd;
- Beam Global Australia Pty Ltd;
- Brown-Forman Australia;
- Bundaberg Distilling Company Pty Ltd;
- Diageo Australia Limited;
- Mast-Jägermeister SE;
- Moët-Hennessy Australia Pty Ltd;
- Rémy Cointreau International Pte Ltd;
- Suntory (Australia) Pty Ltd; and
- William Grant & Sons International Ltd.

DSICA's goals are:

- To create an informed political and social environment that recognises the benefits of moderate alcohol intake and to provide opportunities for balanced community discussion on alcohol issues; and
- To ensure public alcohol policies are soundly and objectively formed, that they include alcohol industry input, that they are based on the latest national and international scientific research and that they do not unfairly disadvantage the spirits sector.

DSICA's members are committed to:

- Responsible marketing and promotion of distilled spirits;
- Supporting social programs aimed at reducing the harm associated with the excessive or inappropriate consumption of alcohol;
- Supporting the current co-regulatory regime for alcohol advertising; and
- Making a significant contribution to Australian industry through primary production, manufacturing, distribution and sales activities.

## Executive Summary

DSICA is committed to supporting strategies that can be shown to reduce the uptake of alcohol use by underage Australians, and also supporting strategies that reduce the levels of harmful drinking amongst adult Australians. We recognise that the overwhelming majority of consumers drink in moderation, creating no problems either for themselves or society as a whole.

As a matter of principle, we therefore do not support measures that fail to address harmful drinking, and which impose an extra burden on the majority of the drinking population.

Within Australia and internationally, the dominant contemporary approach to alcohol policy is to view alcohol, its consumption and abuse solely in isolation from other critically important social and cultural factors that also impact on societies. The dominant approach to alcohol policy is particularly silent on consideration of the contributing roles of illicit drugs and of polydrug use.

It is critical to move beyond this simplistic notion to a situation where governments recognise the consumption of alcohol as an integral part of the social, economic and cultural context in which it occurs. Policy development that focuses solely on alcohol will fail simply because it misses the wider picture.

The great majority of New South Wales residents consume alcohol and clearly enjoy the personal and social benefits associated with drinking in moderation.

For any approach to alcohol policy to be successful, it should:

- acknowledge the place of alcohol in the Australian culture, and
- be aligned with the expectations of that great majority of the community to be able to access and consume alcohol free of unnecessary regulations, while also
- targeting the misuse of alcohol and protecting vulnerable Australians.

As long as the focus of contemporary alcohol policy remains primarily on alcohol use at any level, (and not its misuse) and ignores the reality that the overwhelming majority of Australians drink in moderation, policy responses will inevitably remain narrow and limited in focus. These policies will continue to be ineffective in achieving the goal of a sustained reduction in the misuse of alcohol.

New South Wales's alcohol policies should reflect society's desire to enjoy the benefits associated with moderate consumption while also acknowledging the need to tackle the negative consequences associated with the misuse and irresponsible use of alcohol amongst a minority.

## Whole of population Controls verses Targeted Interventions

DSICA acknowledges that there is considerable public policy debate regarding the most appropriate policy approach to take with respect to reducing the harms associated with

alcohol misuse. However, DSICA does not accept the proposition that whole of population policies are proven to be more effective than targeted policies in reducing levels of alcohol-related harm.

The International Center for Alcohol Policies in its *Guide to Creating Integrative Alcohol Policies* population model makes the following comments with respect to both approaches:

*Control measures are aimed at restricting access to and availability of alcohol through a range of measures applied to the population as a whole. The goal of these control measures is to reduce the overall per capita consumption in an effort to reduce the incidence of harm.*

*The 'control of consumption' approach relies on the notion of a defined and linear relationship between the level of alcohol consumption across a population and the level of harm.<sup>1</sup>*

Advocates for population-based measures have long argued that reducing overall consumption across all alcohol consumers will impact on the levels of alcohol-related harm. To the contrary, governments have increasingly adopted control policy measures, alcohol consumption has consequently fallen, and yet there appears to be no impact on the levels of excessive drinking amongst certain subsets of the community.

Advocates of stronger whole of population measures neglect to include in their evaluations any measure of the loss of enjoyment, pleasure, social interaction and economic benefits that such policies cause through reducing non-abusive and non-harmful consumption.

Population measures are broad and non-specific, and as a result they:

- Cannot differentiate between those who drink responsibly and those who abuse alcohol;
- Are insensitive to variations and cultural differences in the role of alcohol in society;
- Require legislation and structural change for their implementation;
- Rely on enforcement to be effective;
- Are not tailored to the reality of drinking; and
- Are inflexible to change and shifting societal needs.

Conversely, the aim of targeted interventions is to reduce alcohol misuse and the harms that flow from that, not to necessarily reduce overall consumption as its primary goal.

Targeted interventions seek to reduce the potential for harm by specifically and selectively focusing on known problematic drinking patterns amongst those individuals,

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<sup>1</sup> International Center for Alcohol Policies, *Guide to Creating Integrative Alcohol Policies*, (International Center for Alcohol Policies, 2008),

settings and behaviors where risk of harm from drinking is increased. In this regard, targeted measures:

- Specifically address harm where and when it occurs;
- Can be tailored to individual, societal, and cultural differences;
- Do not require structural change or legislation for implementation;
- Make best use of resources that are available;
- Avoid most unintended outcomes by virtue of their specificity; and
- Are responsive to the immediacy of community needs.

A significant benefit of targeted approaches is that they do not rely exclusively on governments for their implementation, but require a whole of community response.

DSICA believes that there is considerable scope for communities of interest to formulate a collective approach to reducing alcohol misuse harms, for example local liquor accords. This approach would provide flexibility for local communities to respond to local issues and problems, rather than an overly-rigid regulatory or legislative approach.

## **DSICA's vision for alcohol policy development**

DSICA believes that a comprehensive and inclusive set of national approaches to alcohol in Australia should have at its core a commitment to the following:

- Partnership between government (Commonwealth, Territory, State and Local), the alcohol industry and other relevant stakeholders;
- Nationally agreed targets for reducing the scale and impact of alcohol misuse coupled with rigorous evaluation of outcomes of all strategies implemented;
- Enforcement of existing regulations targeting underage drinking, public intoxication, and drinking and driving. There is already more than enough legislation in place; the key is to ensure appropriate enforcement of existing legislation, not to create more;
- Targeted education of professionals on evidence-based strategies for tackling alcohol misuse;
- Increased community-based services at the primary care level in the areas of early and brief interventions;
- National mass-media campaigns to increase the reach of messages aimed at promoting a culture of moderation in relation to all alcohol used in Australia;
- Recognition that reducing the misuse and abuse of alcohol cannot be achieved without paying attention to those factors in modern Australia that undermine social cohesion and personal responsibility.

Furthermore, DSICA advocates for the following specific policy objectives:

- Encouraging the consumption of alcohol in moderation;
- Endorsing the absolute right of adults to purchase and consume alcohol without the imposition of intrusive controls;
- Reducing community tolerance towards, and the incidence of, intoxication;
- Developing and implementing comprehensive age-appropriate educational alcohol programs within the school curriculum, including a renewed emphasis on the transition years between school, further education and the workplace;
- Developing and implementing a national approach to appropriately inform pregnant women and other at-risk populations;
- A commitment to rigorous, evidence-based evaluation of policies to ensure efficacy and cost-effectiveness; and
- A commitment that governments treat all categories of alcohol product of equal strength equally.


## Alcohol Consumption in Australia

There is a common misperception that Australians are heavy drinkers when compared with other countries. The reality is that adult per capita consumption of alcohol in Australia is lower than in comparable developed countries. A comparison between the OECD countries for which per capita consumption data is available reveals that Australia ranks only equal eighth (along with Denmark and Switzerland) out of a total of 22 countries.<sup>2</sup>

### AUSTRALIA DOES NOT HAVE A HIGH LEVEL OF PER CAPITA ALCOHOL CONSUMPTION COMPARED WITH OTHER OECD COUNTRIES

Ranking	Country	LPAs per capita	Ranking	Country	LPAs per capita
1	Austria	12.2	13	Netherlands	9.4
2	Czech Republic	12.1	14	New Zealand	9.3
3	Estonia	12.0	15	Slovak Republic	9.0
4	Slovenia	11.5	16	Korea	8.9
5	Ireland	11.3	17	Chile	8.6
6 (equal ranking)	Poland United Kingdom	10.2	18	Canada	8.2
8 (equal ranking)	Australia Denmark Switzerland	10.1	19 (equal ranking)	Japan Sweden	7.4
11	Finland	10.0	21	Norway	6.7
12	Germany	9.7	22	Turkey	1.5

Statistics taken from the 2009 *Non-Medical Determinants of Health: Alcohol Consumption* data series. Note that statistics relating to alcohol consumption collected by the OECD and DSICA differ, however only OECD statistics have been used in this comparison to ensure consistency across all countries.



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Source: OECD

<sup>2</sup> Organisation for Economic Co-Operation and Development, *Non-Medical Determinants of Health: Alcohol Consumption* (Organisation for Economic Co-Operation and Development, 2009).

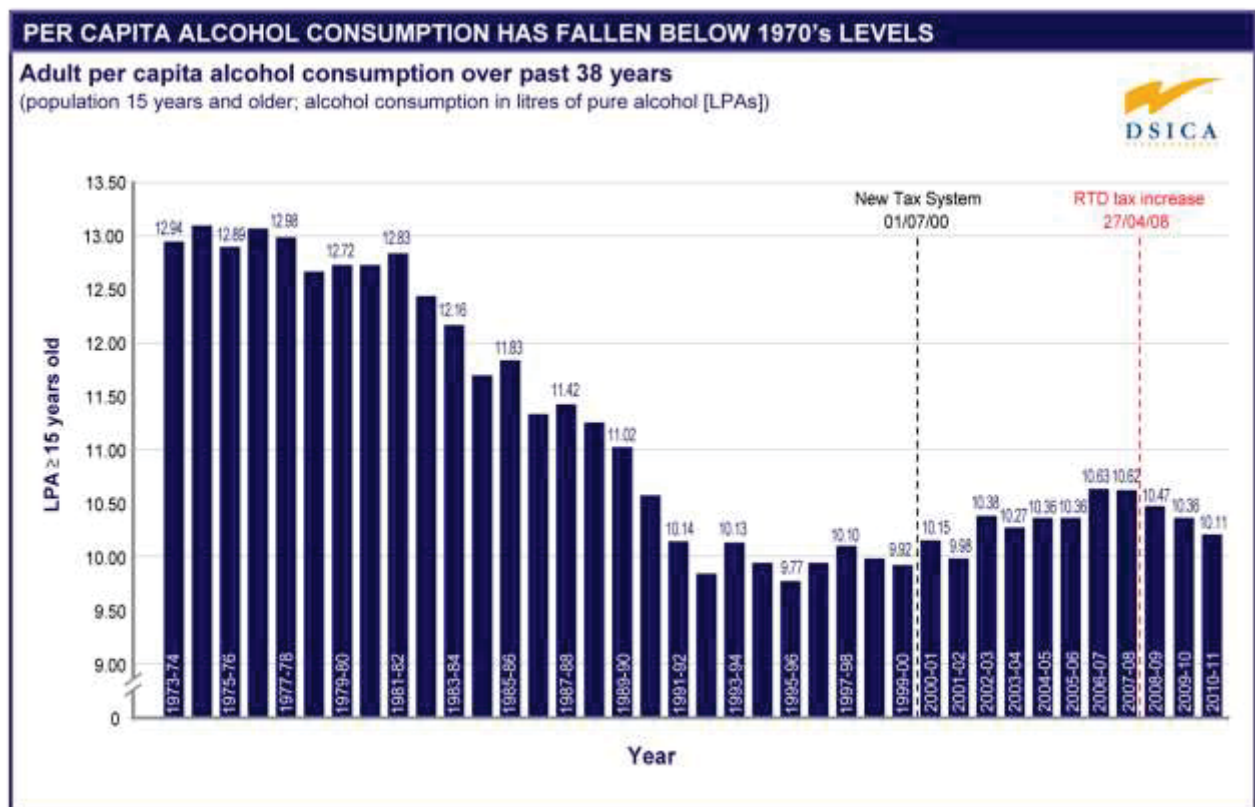
A further comparison with nine selected OECD countries in the *International Comparison of Australia's Taxes* report further supports this conclusion.<sup>3</sup> DSICA's analysis reveals that within these ten OECD countries, Australia has the second lowest per capita consumption of alcohol beverages.

## Long-term trends in alcohol consumption

DSICA estimates adult per capita (population 15 years and over) alcohol consumption for 2010-11 in Australia at 10.11 litres of pure alcohol (LPAs). This is down from 10.37 LPAs adult per capita consumption in 2009-10. These figures are primarily derived from the Australian Bureau of Statistics' (ABS) Apparent Consumption of Alcohol, Australia series.

A time series of adult per capita alcohol consumption from 1973-74 to 2010-11 is provided below. DSICA highlights the following observations and insights in relation to this time series:

- Current adult per capita consumption has fallen below levels in the 1970s and is now more than 20 per cent below its 30-year high reached in 1974-75.



The Australian Institute of Health and Welfare (AIHW) confirmed this stable trend in

<sup>3</sup> Richard Warburton and Peter Hendy, *International Comparison of Australia's Taxes* (Australian Government, 2006) 268.



per capita alcohol consumption and daily drinking patterns, and noted:

*Between 1993 and 2007, the daily drinking patterns of people in Australia aged 14 years or older remained largely unchanged, at around 8% (Table 4.1). However, in 2010, there was a statistically significant decrease (since 2007) in the proportion of people drinking daily (from 8.1% to 7.2%). In addition<sup>4</sup>:*

- *the number of people in Australia drinking daily in 2010 decreased by approximately 100,000 people (1.4 million in 2007 down to 1.3 million in 2010)*
- *the proportion of people aged 14 years or older who had never had a full serve of alcohol has generally increased since 1998, with a statistically significant increase between 2007 and 2010 (from 10.1% to 12.1%)*
- *in 2010, most (80.5%) people aged 14 years or older had consumed a full serve of alcohol, and 19.5% had not consumed alcohol in the previous 12 months.*

This reinforces DSICA's view that there has not been any dramatic change in overall alcohol consumption patterns in the last ten to 15 years that would justify the term 'binge drinking epidemic'.

### **Term of reference a): the effect of alcohol advertisements and promotions on young people, including consideration of the need to further restrict alcohol advertising and promotion.**

DSICA believes there is a clear distinction that needs to be made between advertising and promotion. For the purposes of this submission, promotions are defined as venue or product promotional activity on licensed premises; i.e. bottle stores and venues, and generally include discounted price or sampling opportunities.

In-store and venue promotions are regulated under NSW liquor licensing legislation, using the Office of Liquor, Gaming and Racing's *Liquor Promotion Guidelines*. Event promotion – such as music festivals – is regulated through the liquor licensing process for granting of the appropriate event licenses.

The current NSW guidelines – backed by section 102 of the Liquor Act 2007 – already offer a strong and very responsive mechanism enabling the Director of Liquor and Gaming to restrict or prohibit undesirable venue and product promotions. DSICA does not see any need to further restrict on-premise product and venue promotions.

Advertising broadly defined is marketing available to the wider community. Alcohol product advertising is regulated by the Commonwealth, using the quasi-regulatory Alcohol Beverage Advertising Code Scheme.

There is no rationale for changing the existing system for monitoring and managing alcohol advertising in Australia. DSICA submits that the Alcohol Beverage Advertising (and Packaging) Code Scheme (or ABAC) works effectively to control the advertising of

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<sup>4</sup> Australian Institute of Health and Welfare 2011. 2010 National Drug Strategy Household Survey report. Drug statistics series no. 25. Cat. no. PHE 145. Canberra: AIHW, Pg 46

alcohol. ABAC sets out stringent standards for the content of alcohol advertising with regard to images, themes or content that might appeal to children and young people.

Australia's ABAC quasi-regulatory system for alcohol advertising has been negotiated with government, consumer complaints are handled independently, but with all operational costs borne by industry.

The ABAC Scheme is administered by a Management Committee, which includes industry, advertising and government representatives. Through ABAC, Australia has one of the most accessible complaints systems in the world, accepting complaints via email, letter or fax with no costs to the consumer.

The industry has worked closely with the Australian Government to ensure that ABAC operates in an open and transparent manner, and provides the easiest mechanism by which complaints with respect to the application of the ABAC code can be managed.

We note the previous Commonwealth Minister for Health's comments in relation to advertising in the Directions Document "Taking Preventative Action"<sup>5</sup>:

*"The Government's approach is to pursue voluntary and collaborative approaches with the alcohol industry to promote a more responsible approach to alcohol in Australia before considering more mandatory regulation."*

DSICA does not support the contention that the alcohol advertising or promotion has a significant, if any, impact on young peoples' intention to drink or how much they will drink.

Advocates for marketing bans or greater restrictions on alcohol advertising greatly overstate the importance of advertising and promotions in forming children and young peoples' attitudes to alcohol and drunkenness. In doing so, they simply ignore the role of far more significant influences such as parental style and use of alcohol, the extended family's use of alcohol, and their peers' attitude to risk-taking.

The debate on regulating alcohol marketing is usually silent on the vital roles and responsibilities of parents and carers to supervise those under the drinking age, not only in terms of their access to alcohol, but also in terms of their access to mass media communications which are targeted to an older and more mature population.

A commonly-used argument for further regulating or banning alcohol advertising is that if it didn't work, then companies would not advertise. This begs the question as to what is meant by advertising has 'worked'.

The purpose of alcohol advertising is to tell potential customers above the legal purchase age who are looking to make an alcohol purchase within a short period of time (the next week or so) about the products available to them, so that they can then make informed choices among competing brands. Advertisers' objectives are to encourage consumers to switch to their brand and to create or maintain brand loyalty. Thus,

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<sup>5</sup> Taking Preventative Action – A Response to Australia: The Healthiest Country by 2020 – The Report of the National Preventative Health Taskforce, 2010: Government of Australia.

advertisers gain market share at the expense of other producers, who lose market share. In that sense, advertising ‘works’.

Given that per capita alcohol consumption is relatively static for the past 20 years and currently in decline, on that evidence alcohol advertising appears to have not increased overall consumption.

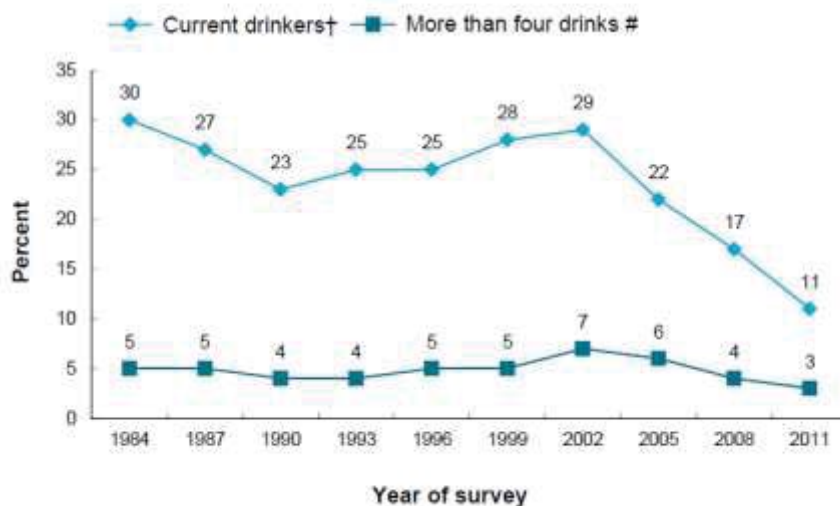
DSICA also notes that alcohol advertising is one of the most highly regulated forms of marketing in Australia. Some (or all) forms of alcohol advertising are banned in some countries. Notwithstanding the considerable research focus that has been applied to the impact of alcohol advertising particularly on young people over several decades, it has not been reliably shown that alcohol advertising causes an increase in alcohol consumption or alcohol-related harms.<sup>6,7</sup>

There has been an enduring and strident call from advocacy groups proposing significant controls and in some cases bans on alcohol advertising as a means of combating alcohol misuse specifically in relation to young people, irrespective of the lack of a sound evidence base to support this position.

Supporters of a ban or further restrictions on alcohol advertising face the difficult prospect of reconciling the need for that policy change with Australia’s declining rates of underage drinking.

The following graphs are from a report prepared for the Australian Government Department of Health and Ageing, *Australian secondary school students’ use of tobacco, alcohol and over the counter and illicit substances in 2011*, (referred to as ASSAD 2011).

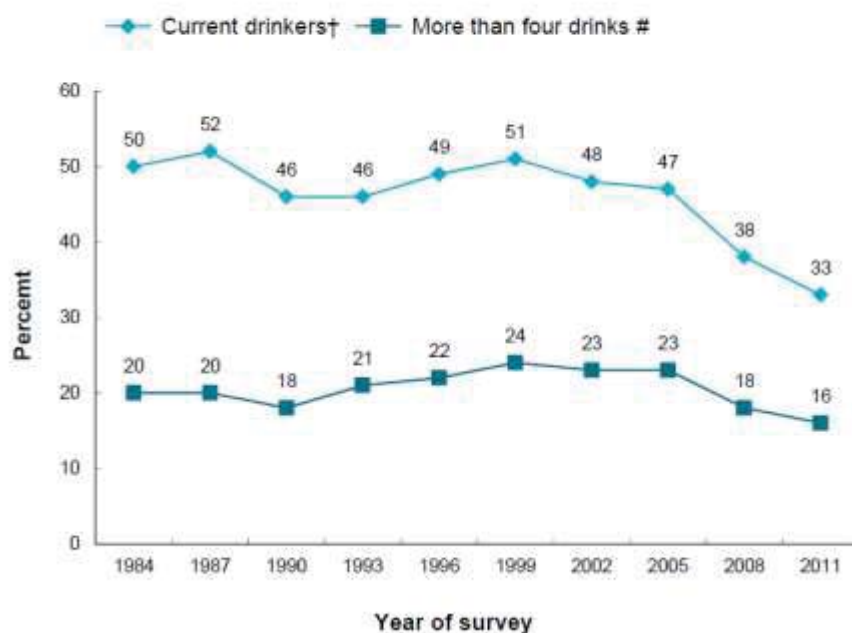
**Figure 4.2:** Proportion of 12- to 15-year-olds drinking in the seven days before the survey (current drinkers) and the proportion drinking more than four drinks on a single occasion in the past seven days, Australia, 1984-2011



<sup>6</sup> Fisher, J.C. (1993). *Advertising, Alcohol Consumption, and Abuse: A Worldwide Survey*. Westport, CT: Greenwood Press.

<sup>7</sup> Fisher, J.C. and Cook, P.A. (1995). *Advertising, Alcohol Consumption, and Mortality: An Empirical Investigation*. Westport, CT: Greenwood Press.

**Figure 4.3:** Proportion of 16- to 17-year-olds drinking in the seven days before the survey (current drinkers) and the proportion drinking more than 4 drinks on a single occasion in the past week, Australia, 1984-2011



The argument of advertising leading to an earlier onset of drinking is not a strong or credible argument for greater restrictions, because as the Australian Institute of Health and Welfare summarised it in 2011, there is simply no such trend:

*The mean ages at which people in Australia first used most licit and illicit drugs have changed very little between 1995 and 2010. For tobacco and alcohol, the mean ages of initiation remained relatively stable between 1995 and 2010, at about 16 years for tobacco and 17 years for alcohol<sup>8</sup>.*

Whilst some research from within the alcohol policy and child health fields purports to show a link between alcohol advertising and problem drinking, there is an absence of compelling evidence to support the view that alcohol advertising causes particular beliefs about drinking, intentions to drink or drinking related problems<sup>9</sup>.

Countering that research from public health researchers, international econometric studies and studies by advertising and marketing academics have failed to show any causal link between alcohol advertising expenditure and increases in alcohol related harm<sup>10</sup>.

A United States Senate subcommittee could not find evidence to conclude that advertising influences non-drinkers to begin drinking or to increase consumption<sup>11</sup>.

<sup>8</sup> Australian Institute of Health and Welfare 2011. 2010 National Drug Strategy Household Survey report. Drug statistics series no. 25. Cat. no. PHE 145. Canberra: AIHW. page 11

<sup>9</sup> Young, D.J. (1993). Alcohol advertising bans and alcohol abuse [Comment]. *Journal of Health Economics*, 12(2): 213-228.

<sup>10</sup> Nelson, J.P. and Young, D.J. (2001). Do advertising bans work? An international comparison. *International Journal of Advertising*, 20(3): 273-296.

<sup>11</sup> Congressional Record May 20, 1985

More recently, the US Federal Trade Commission study<sup>12</sup> found that there is:

*no reliable basis to conclude that alcohol advertising significantly affects consumption, let alone abuse.*

The United States Department of Health and Human Services in an annual report to Congress concluded that there is no significant relationship between alcohol advertising and alcohol consumption<sup>13</sup>. It did not recommend banning or imposing additional restrictions on advertising.

Despite significant increases in advertising expenditure in France, the Netherlands, and the United Kingdom between 1970 and 1990, alcohol consumption declined in all three countries over the same period<sup>14</sup>. The French example is worth examining further because in 1991 it passed legislation greatly restricting alcohol advertising. Despite the advertising ban, the pre-existing trend of declining consumption was not altered.

There is a consensus view amongst researchers that young people's drinking patterns are complex and influenced by a myriad of interconnected factors. These include genetics, family conditions, socialisation, socio- economic status, and peer influences.

DSICA recognises that industry has a duty of care to our customers, and to the community as a whole to ensure that we advertise our products in a responsible manner.

Substantial efforts have been undertaken by DSICA members, both within their individual companies and as a key national industry representative body, to establish effective mechanisms for ensuring advertising fits within the legislative frameworks established by governments, and these efforts in many cases exceed established government regulations.

Advertising is one of a number of activities that collectively fall under the heading of corporate communications. Other activities include on-premise promotions (regulated under the Liquor Act 2007), sports and cultural events sponsorship, point of sale information, and product naming and packaging.

All of these activities are regulated effectively under Australia's Alcohol Beverage Advertising (and Packaging) Code (ABAC) scheme, operating alongside individual companies global marketing standards, and in DSICA's members' case, by the *Statement of Responsible Practices for Alcohol Advertising and Marketing* (attached).

Industry quasi-regulation has substantial benefits over government legislation. These benefits include speed of response, flexibility to changing circumstances and substantially lower compliance costs. Considerable potential also exists for applying

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<sup>12</sup> Federal Trade Commission (FTC) (2008) Self-regulation in the alcohol industry: Report to the Federal Trade Commission, Washington DC.

<sup>13</sup> National Institute on Alcohol Abuse and Alcoholism (2000). 10th Special Report to the U.S. Congress on Alcohol and Health. NIH Publication No.: 00-1583. Washington, DC: USDHHS

<sup>14</sup> Scheraga, C., & Calfee, J. E. (1994). The influence of advertising on alcohol consumption: A literature review and an econometric analysis of four European nations. *International Journal of Advertising*, 13, 287-310 in *Alcohol Marketing and Young People: International Center for Alcohol Policies*, 2009.

peer pressure between companies within a quasi-regulatory, industry-managed approach. Quasi-regulatory systems for alcohol advertising are used successfully around the world, including across the European Union and in New Zealand.

Within Australia, advertising by alcohol producers must not only be consistent with the ABAC code, but also consistent with several other applicable laws and codes, for example:

- The Trade Practices Act, and State and Territories' fair trade legislation
- The Australian Association of National Advertisers Code of Ethics
- The Commercial Television Industry Code of Practice
- The Commercial Radio Codes of Practice
- The Outdoor Media Association Code of Ethics

All members of DSICA support the quasi-regulatory approach taken in Australia and are committed to the concept of quasi-regulation as well as the application of binding internal company guidelines and codes of practice for alcohol marketing.

In fact, in many instances the internal codes of practice imposed by DSICA member companies (which apply in all markets in which they operate globally) are significantly stronger than the locally imposed government regulations.

In summary, we believe that no reason exists to contemplate more regulation in this area, and it is important that the legitimate rights of an industry to market its legal product in a responsible manner are upheld.

The evidence base underpinning the effectiveness of the current quasi-regulatory system is compelling and therefore the New South Wales Government should support the system in place, which is an example of international best practice. The current code is working effectively by any reasonable measure, and should be supported to continue to manage and effectively monitor alcohol advertising in Australia.

**Policies that NSW should adopt are:**

- To support the strong and principled approach taken by industry towards managing the advertising of alcohol in Australia, state governments should place more emphasis on social marketing campaigns that promote moderation and seek to encourage a culture of safe and responsible drinking.
- The NSW government could very usefully undertake community education campaigns alongside DrinkWise Australia aimed at reinforcing the importance of parental responsibility as key drivers of young peoples' attitudes and behaviour in relation to alcohol.
- In addition, a review of NSW school curricular should be undertaken to ensure best practice with regard to alcohol education and an emphasis on culture, values and good citizenship.

## **Term of reference e): Measures to reduce alcohol related violence, including in and around licensed venues**

DSICA recognises the very high levels of public concern over violence associated with the excessive use of alcohol. We wish to work collaboratively with government and other organisations committed to a comprehensive response to reducing alcohol abuse and violence within the Australian community.

DSICA believes that a simplistic policy focus solely on alcohol availability will not return the results the community is looking for in terms of reduced violence. There has to be a general recognition that the interrelationship between excessive alcohol consumption and violence is complex, multifaceted and requires consideration of a wide set of interacting variables.

The International Center for Alcohol Policies (ICAP) has identified the following key issues, which should be taken into account when considering the relationship between the consumption of alcohol and violence within the community<sup>15</sup>:

- The vast majority of drinking episodes does not lead to violence, and most violence does not involve drinking.
- The relationship between alcohol and violence is complex and mediated by personality, expectancy of violence, situational factors and social norms.
- In general, violence is likely to be associated with heavy drinking and alcohol abuse.
- The relationship between heavy drinking patterns and violence offers an opportunity for targeted harm reduction measures.
- Addressing individual, environmental, social and cultural factors may help reduce both alcohol abuse and the incidence of alcohol related violence.

The US National Institute on Alcohol Abuse and Alcoholism (NIAAA) concluded that the findings of research are consistent with the real-world observation that intoxication alone does not cause violence<sup>16</sup>.

The Australian Institute on Criminology in its 2009 report *Key Issues in Alcohol-related Violence* states:

*Despite this strong body of evidence, the relationship between alcohol and violence, like many other complex social phenomena, is not a simple or straightforward one. Research shows that heavy drinking and intoxication are associated with physical*

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<sup>15</sup> International Center for Alcohol Policies, Blue Book Module (7) Drinking and Violence.

<sup>16</sup> Alcohol Alert No. 38: Alcohol and Violence, 1997: National Institute on Alcohol Abuse and Alcoholism. USA

*violence, however, the majority of people who drink alcohol do not become offenders or victims of violent crime and consuming alcohol does not necessarily act as a precursor to violent behaviour. Instead, research suggests that the association between alcohol and aggression is the result of a complex interaction of a number of variables, including:*

- The pharmacological effects of alcohol on the cognitive, affective or behavioural functioning of the drinker which can lead to increased risk-taking, reduced anxiety regarding possible sanctions for their behaviour, heightened emotionality, impulsive behaviour, 'liquid courage', a distorted interpretation of events and an inability to resolve incidents verbally*
- Individual characteristics including age, gender, personality traits, predisposition to aggression, deviant attitudes and expectations of the drinker about the effects of alcohol and their behaviour while intoxicated*
- Effects of the drinking environment including situational factors such as crowding, permissiveness of violent behaviour, the management of licensed premises and the role and behaviour of venue staff (including managers and security)*
- Societal attitudes and values, including a culture of drinking to deliberately become intoxicated, using alcohol as an excuse for behaviour not normally condoned, and for holding individuals less responsible for their actions.*

The AIC report identifies the risk factors of the venues, staffing, social environment, the entertainment precinct, and of the patrons for violence on licensed premises. These factors are consistent with similar assessments undertaken across a number of countries.

Attention to these variables might be of greater value than a misguided singular focus on hours of alcohol availability. These identified factors and how they work in combination are worthy of careful consideration by licensing and policing authorities.

**The areas that require particular attention include:**

- A national program focused on culture change aimed at reducing excessive and irresponsible drinking;
- A focus on server responsibility programs and the drinking environment
- Applying the existing rules in relation to public intoxication and alcohol consumption by minors, with an emphasis on providing appropriate resources for police and licensing authorities

**Policies that NSW should adopt are:**

- Appropriate resourcing of enforcing existing legislation aimed at reducing public intoxication, underage consumption and social disruption.
- A focus on improved transportation options for night-time precincts.



- Alcohol education campaigns focused on the consequences of excessive and irresponsible alcohol consumption – in partnership between government and DrinkWise Australia
- Public information and awareness raising on appropriate drinking patterns
- Improved screening programs for young problem drinkers, including additional resources for alcohol diversion programs
- A nationally agreed approach to server responsibility training with portability of qualifications across jurisdictions.
- Introducing life skills training programs at primary school level to reinforce appropriate socialisation skills, coupled with parent education programs, particularly focused on young parents.
- Focusing on broader societal issues which impact on levels of violence across the community.

## **Liquor Licensing**

Appropriate regulation governing the way in which alcohol is supplied to consumers is an important facet of any well-ordered approach to alcohol. The physical environment in which alcohol is consumed can play a major role in determining whether it will be consumed in moderation or in an inappropriate and potentially harmful way.

The balance between regulations that help minimise the risk and harms from alcohol abuse on the one hand, and the imposition of excessive controls which reduce public amenity on the other, is at the heart of the policy and community debate.

There is a dual role for Police and liquor licensing authorities in administering the licensing laws, but these dual roles can be in conflict, and cause confusion for licensed premises and retailers. Clarifying the relevant roles and eliminating the potential for policy overlap should be a high priority for the NSW government.

It is important that the NSW government acknowledge that legislation is unlikely to be effective in the absence of adequate and properly targeted enforcement.

Law enforcement authorities are interested in using legislation to tackle broader societal issues such as crime and community safety. Use of legislation to this end may seem reasonable, however, there is growing concern that the application of regulations that impact on all licensed premises within an area, whether they have been associated with inappropriate practices and violence or not, imposes considerable hardship on many well-run and managed facilities.

Concerns over global approaches such as curfews and lock-outs are examples where a lack of planning and engagement with the commercial sector has led to significant negative unintended consequences.

The consumer's preferred drinking environment is also important, as there is little or

no capacity for liquor licensing laws to impact drinking other than on licensed venues. Concerns in the community over secondary supply of alcohol and social disruption associated with street parties are examples where the licensing laws are largely irrelevant, except in the sense that over-regulation of licensed venues can increase drinking in homes or in public places.

It is also important to note the increasing phenomenon of ‘pre-drinking’ or ‘pre-loading’. In this situation young people decide to consume heavily prior to going to licensed premises. Whilst this is not new, there is anecdotal evidence that it is gaining in popularity. As pre-loading is behaviour driven largely by the cost of drinks served in licensed venues, the NSW government should consider the likely increase in pre-loading from new regulations that drive up the cost of trading, and hence bar prices, for licensed venues.

DSICA supports the need for appropriate resourcing of existing licensing legislation ahead of any move to impose new administrative burdens on the retail sector. DSICA, however, notes that in general, states and territories have in the past under-prioritised funding of essential policing and enforcement for their entertainment precincts.

## **Reducing alcohol-related violence through restrictions on distilled spirits and some serving practices**

DSICA would like to highlight the futility of attempting to deter alcohol-related violence by regulating particular categories of alcohol or particular serving practices, e.g. shots, bombs, etc.

The discussion above on the complexity of the factors leading to alcohol-related violence demonstrates that it is foolish to believe that bans or restrictions on only one part of the alcohol supply or how it can be consumed will deter the determined person seeking intoxication, and/or violence.

Such bans on products and serving practices are merely nominating those products/practices as the ‘problems’, and are a distraction from concentrating on the person who is looking to get drunk or into a fight. The product or serving practice bans do nothing to shift that person’s views or goals. Nor are these bans an effective deterrent, given that every other alcohol product is still freely available. All drinkers have preferred types of drinks – but no drinker is exclusive wedded to their preference, and will substitute to their next preference.

There are significant consumer benefit costs associated with such bans because these bans penalise distilled spirits drinkers, irrespective of their individual behaviour. In effect under product bans, people who prefer distilled spirits are having their favourite drinks removed from their possible choices, instead of people who abuse alcohol being removed from venues and precincts.



Distilled Spirits Industry Council of Australia Inc

STATEMENT OF RESPONSIBLE  
PRACTICES

FOR

ALCOHOL ADVERTISING AND MARKETING

March 2010

## 1. Preamble

- 1.1. The Distilled Spirits Industry Council of Australia Inc. (DSICA) is the national trade association representing producers and marketers of distilled spirits sold in Australia.
- 1.2. We recognise that alcohol is enjoyed by the great majority of Australians, and that its consumption adds to their quality of life as a pleasurable and social experience. As producers of distilled spirits, we recognise that alcohol can be both used responsibly and misused, and that our responsibility is to market and promote our products in a responsible manner.
- 1.3. DSICA members have developed this Statement of the responsible practices for advertising and marketing to provide guidance to all those involved in the promotion of their respective brands.
- 1.4. DSICA members are committed to the responsible placement and content of their brand communications. The overriding principle is to market our products to adults in a responsible and appropriate manner.
- 1.5. To this end, advertising and marketing will not primarily appeal to people under the legal purchase age, in that it will not have a special attractiveness to such persons beyond the general attractiveness it has for persons of legal purchase age.
- 1.6. DSICA members pledge voluntarily to conduct their advertising and marketing practices in accordance with this Statement.
- 1.7. The consumption of alcohol products has played an accepted and important role in the cultural and social traditions of both ancient and modern society. DSICA members take special pride in their products and their commitment to promoting responsible drinking by those adults who choose to drink.
- 1.8. DSICA members encourage responsible decision-making regarding drinking, or not drinking, by adults, and discourage abusive consumption of their products. DSICA members urge that adults who choose to drink, do so responsibly. Nevertheless, it is the obligation of each consumer who chooses to drink to enjoy alcohol products in a responsible manner.
- 1.9. DSICA members actively support responsible drinking through several initiatives:
  - financial support for the social marketing organisation DrinkWise Australia;
  - consistent support for progressive volumetric taxation of all forms of alcohol, including favourable taxation of low strength products and progressively higher taxation on high strength products;
  - voluntary adoption on labels of the health question *Is your drinking harming yourself or others?*;
  - development and voluntary adoption of the standard drinks logo;

- the voluntary adoption of an upper limit of two standard drinks per single serve container;
- voluntarily limiting the caffeine or caffeine-equivalent content of energy beverages to no higher than that in conventional cola soft drinks available in the market. DSICA members will not use Taurine in their products.

## **2. Scope**

- 2.1. This Statement applies to all activities undertaken to advertise and market distilled spirits. These activities include brand advertising, consumer communications, promotional events, packaging, labels, and distribution and sales materials.
- 2.2. The Statement applies to every type of print and electronic media, including the internet and any other on-line communications, used to advertise or market alcohol. The Statement also applies to every type of promotional or marketing activity or event, including all product placements (e.g., movies, television programs, music videos, video games) and sponsorships. Sponsorships are commercial, contractual agreements between an alcohol company (the sponsor) and a sponsored party or sponsorship property establishing an association between the sponsor's brands or products and the sponsored party or sponsorship property in return for rights to promote this association.
- 2.3. DSICA members recognise that it is not possible to cover every eventuality and, therefore, agree to observe the spirit, as well as the letter, of this Statement.

## **3. Responsible Placement**

### **Adult Audiences and Underage Persons**

- 3.1. Alcohol advertising and marketing materials are intended for adults of legal purchase age who choose to drink.
- 3.2. Alcohol products should not be advertised or marketed in any manner directed or primarily appealing to persons below the legal purchase age. Advertising or marketing material is considered to primarily appeal to persons below the legal purchase age if it has special attractiveness to such persons beyond the general attractiveness it has for persons of legal purchase age.
- 3.3. Alcohol advertising and marketing should be placed in broadcast, cable, radio, print, and internet/digital communications only where at least 70 percent of the audience is reasonably expected to be above the legal purchase age (determined by using reliable, up-to-date audience or readership data).

- 3.4. To facilitate these responsible placement commitments, recognised electronic audience and print readership data should be reviewed on a regular basis (at least annually) in order to ensure that the audience composition data are current and appropriate.
- 3.5. Internal, semi-annual after-the-fact audits of a random portion of past placements should be undertaken by members to verify that such past placements were in compliance with this Statement and to take appropriate, corrective action for future placements.
- 3.6. Appropriate measures and best efforts should be taken so that alcohol advertising and marketing are not specifically aimed at events unless at least 70 percent of the audience is reasonably expected to be above the legal purchase age.
- 3.7. Alcohol advertising should not be placed on any outdoor stationary location within 150 metres of a primary or secondary school, except on a licensed premise.

### **Product placements**

- 3.8. Movies, television programs, music videos, and video games frequently may portray the consumption of alcohol products and related signage in their productions. For those DSICA members who seek placement opportunities, product placements will be guided by the following principles:
- 3.9. Case-by-case assessment: DSICA members should approve or reject a product placement on a case-by-case basis based upon the information about the movie, television program, music video, or video game available at the time provided by the project's producers.
- 3.10. Portrayal of drinking and driving: Driving while intoxicated is against the law and alcohol advertising and marketing materials should not portray, encourage or condone driving any motor vehicle while intoxicated. DSICA members should not approve a product placement where the characters engage in illegal or irresponsible consumption of their products in connection with driving.
- 3.11. Underage drinking: DSICA members strongly oppose underage drinking. DSICA members should not approve a product placement which portrays the purchase or consumption of their products by persons who are below the legal purchase age.
- 3.12. Primary appeal to persons below the legal purchase age: DSICA members should not approve a product placement where the primary theme(s), because of its content or presentation, is especially attractive to persons below the legal purchase age beyond the general attractiveness such theme(s) has for persons of the legal purchase age.

- 3.13. Portraying alcoholism/alcohol abuse: DSICA members should not approve a product placement where characters use their products irresponsibly or abusively or where alcoholism is portrayed, unless the depiction supports a responsible consumption message or encourages abusive drinkers to seek treatment.
- 3.14. Measured media: DSICA members should not request or approve a product placement in any measured media unless the placement is consistent with the responsible placement provisions of the Statement.

## **4. Responsible Content**

### **Appeal to Adult Audiences**

- 4.1. Alcohol advertising and marketing materials are intended for adults of legal purchase age who choose to drink. Alcohol advertising and marketing materials must comply with all aspects of the Statement regardless of where these materials are placed; for example, the nature or subject matter of a particular publication is not relevant.
- 4.2. The content of alcohol advertising and marketing materials should not primarily appeal to individuals below the legal purchase age.
- 4.3. Alcohol advertising and marketing materials should not depict children or portray objects, images or cartoon figures that primarily appeal to persons below the legal purchase age.
- 4.4. Alcohol advertising and marketing materials should not contain the name of or depict Santa Claus, Easter Bunny, or any other culturally significant figure or character likely to primarily appeal to persons below the legal purchase age.
- 4.5. Alcohol products should not be advertised or marketed on the comic and youth pages of newspapers, magazines or other publications, or the comic and youth pages of their supplements.
- 4.6. Alcohol products should not be advertised or marketed in a manner associated with the attainment of adulthood or the 'rite of passage' to adulthood.
- 4.7. Alcohol products should not be advertised or promoted by any person who is below the legal purchase age or who is made to appear to be below the legal purchase age. To help ensure that individuals in alcohol advertising are, and appear to be, above the legal purchase age, models and actors employed should be a minimum of 25 years old, substantiated by proper identification and should reasonably appear to be 21 years of age and older.
- 4.8. No brand identification, including logos, trademarks or names, should be used or licensed for use on clothing, toys, games, or game equipment, or other items intended for use primarily by persons below the legal purchase age.

- 4.9. DSICA members should license the manufacture of brand logoed apparel (and the licensing of member company trademarks used in connection with the sale of brand logoed apparel) to adult sizes only.

## **Social Responsibility**

- 4.10. Alcohol advertising and marketing materials should portray alcohol products and drinkers in a responsible manner. Alcohol products and drinkers may be portrayed as part of responsible personal and social experiences and activities, such as the depiction of persons in a social or romantic setting, persons who appear to be attractive or affluent, and persons who appear to be relaxing or in an enjoyable setting.
- 4.11. Alcohol advertising and marketing materials should not depict situations where alcohol is being consumed excessively or in an irresponsible manner. These materials should not portray persons in a state of intoxication or in any way suggest that intoxication is socially acceptable conduct, and they should not promote the intoxicating effects of alcohol consumption.
- 4.12. Alcohol advertising and marketing materials should not contain any curative or therapeutic claim.
- 4.13. Alcohol advertising and marketing materials should contain no claims or representations that individuals can attain social, professional, educational, or athletic success or status as a result of alcohol consumption.
- 4.14. Alcohol products should not be advertised or marketed in any manner associated with abusive or violent relationships or situations.
- 4.15. Alcohol advertising and marketing materials should not imply or portray criminal activity of any kind.
- 4.16. Alcohol advertising and marketing materials should not portray alcohol being consumed by a person who is engaged in, or is immediately about to engage in, any activity that requires a high degree of alertness or physical coordination.
- 4.17. Alcohol advertising and marketing materials should not portray alcohol consumption leading to anti-social or dangerous behaviour.
- 4.18. Driving while intoxicated is against the law. Alcohol advertising and marketing materials should not portray, encourage or condone driving any motor vehicle while intoxicated or after having consumed alcohol.



## **Social Responsibility Statements**

- 4.19. All paid media advertising and point of sale materials should contain a responsibility message in a manner and location that a reasonable person would be aware of its presence.

## **Good Taste**

- 4.20. Alcohol advertising and marketing materials should reflect generally accepted contemporary standards of good taste.
- 4.21. Alcohol advertising and marketing materials should not degrade the image, form, or status of women, men, or of any ethnic, minority, sexually-oriented, religious, or other group.
- 4.22. Alcohol advertising and marketing materials should not contain any lewd or indecent images or language.
- 4.23. Alcohol advertising and marketing materials should not employ religion or religious themes.

## **Sexual Prowess and Sexual Success**

- 4.24. Alcohol advertising and marketing materials may depict affection or other amorous gestures or other attributes associated with sociability and friendship. While a brand preference may be portrayed as a mark of good taste and discernment, alcohol advertising and marketing materials should not rely upon sexual prowess or sexual success as an attribute for the brand.

Accordingly, advertising and marketing materials should not contain or depict:

- 4.24.1. graphic or gratuitous nudity;
- 4.24.2. overt sexual activity;
- 4.24.3. promiscuity;
- 4.24.4. or sexually lewd or indecent images or language.

## **Alcohol and Energy Content**

- 4.25. Alcohol advertising and marketing materials should not refer to the alcohol content of an alcohol product except in a straightforward and factual manner, or refer to the alcohol content in a manner that promotes the potency of an alcohol product.
- 4.26. In the case of beverages containing ingredients with functional energy benefits, no energy claims will be made in the marketing/advertising of those products. Further, the caffeine or caffeine-equivalent content of such beverages will be no higher than that in conventional cola soft drinks available in the market. DSICA members will not use Taurine in their products.

## **5. Websites and emerging media**

- 5.1. Age notice mechanisms, utilising month, day and year, should be employed for DSICA member-controlled alcohol advertising and marketing websites. They also should contain a reminder of the Australian legal purchase age.
- 5.2. DSICA members recognise the crucial role parents play in educating their children about the legal and responsible consumption of alcohol. To enable parents who choose to prevent their children from accessing internet websites without their supervision, DSICA will provide the manufacturers of parental control software upon request the website address of each member company so that the manufacturer can use this information to block access.
- 5.3. Gateway pages will contain Nanny tags that accurately describe the website contents in a format the parental control software can detect.
- 5.4. Each DSICA member-controlled website with advertising or marketing materials should provide a link to a responsible decision-making site.
- 5.5. DSICA member-controlled websites that contain down-loadable advertising or marketing content should include instructions to individuals downloading the content that they should not forward these materials to individuals below the legal purchase age and also should include on the downloadable content a responsible drinking statement where practicable.
- 5.6. Mobile device communications, eCards, 'send to a friend', and other relationship marketing tools must include appropriate age notifications.
- 5.7. Emails and other relationship marketing outreach must not be sent to any individual under the legal purchasing age.
- 5.8. Those forums established by DSICA members to engage with consumers will encourage and promote mature and responsible conversation. The online forums will be monitored on a regular basis to ensure that the conversation is within the spirit of this Statement.
- 5.9. Where text can be placed on a DSICA-member controlled website by users, an automated screening process will vet wording, and if required block that text, before its placement on the website. The screening will block offensive and degrading language, words linked with or implying alcohol abuse, or other words or phrases as relevant.
- 5.10. To further ensure compliance, all content will be moderated on a regular basis for compliance with this Statement and the ABAC Scheme by the DSICA member or an appropriate partner agency.

- 5.11. DSICA member generated visual and text content – including photos, videos, audio and artwork – will be scanned and approved by an appropriately trained person against the standards of this Statement and the ABAC Scheme before placement on DSICA member-controlled websites.
- 5.12. User generated visual content – photos, videos, audio and artwork – will be scanned and approved by an appropriately trained person against the standards of this Statement and the ABAC Scheme before placement on any DSICA member –controlled website.
- 5.13. Where non-member controlled websites or fan sites exist that are not controlled or managed by the brand owner, members will use their best endeavours to influence information on these forums and to encourage the removal of irresponsible content.

## **6. Promotional Events**

- 6.1. On-premise promotions funded or controlled by DSICA members should encourage responsible consumption by those adults who choose to drink, and not support or condone activities that allow or encourage abuse or irresponsible consumption, for example drinking games, games of chance such as ‘toss the boss’, or time limited ‘happy hour’ deals that reward or encourage excessive or abusive consumption. On-premise promotions that use competitions or games of chance should not use as a prize alcoholic products available for consumption on that occasion.
- 6.2. Where supplier sampling is permitted, DSICA members should ensure that appropriate measures are employed to safeguard against underage drinking, including ensuring that individuals conducting the sampling on behalf of the supplier are of legal purchase age. The total alcohol supplied by a member through sampling to an individual in a given sampling exercise should not exceed two standard drinks.
- 6.3. DSICA members should not promote or encourage any drinking in conjunction with reckless and/or irresponsible behaviour at an on-premise promotion sponsored by the DSICA member.
- 6.4. Alcohol advertising and marketing materials should not use the term “schoolies” or sponsor events or activities that use the term “schoolies” except if those events or activities are located on licensed premises.

## 7. Internal compliance procedures

- 7.1. DSICA members should establish internal processes to ensure compliance with the DSICA Statement of responsible practice, and the ABAC scheme. To the extent possible given a company's size and organisational structure, this process should include a separate review of advertising and marketing materials by a company employee who is not in the marketing department or who was not involved in the development of the advertising or marketing materials.
- 7.2. DSICA members should establish and conduct a training program for employees involved in the advertising or marketing of a member company's brands, including appropriate initial and recurrent training.
- 7.3. DSICA members should provide a copy of the DSICA Statement to advertising agencies, media buyers and other external consultants involved in a member's advertising or marketing activities.
- 7.4. Subject to the rules of Section 7 of the DSICA Constitution, the DSICA Executive may by resolution:
  - 7.4.1. expel a member from the Council;
  - 7.4.2. suspend a member from membership for a specified period
  - 7.4.3. fine a member in accordance with the regulations,if the Executive is of the opinion that the member;
  - has refused or neglected to comply with these rules; or
  - has been guilty of conduct unbecoming a member or prejudicial to the interest of the Council.