

**Submission  
No 5**

**INQUIRY INTO ALCOHOLIC BEVERAGES ADVERTISING  
PROHIBITION BILL 2015**

**Organisation:** New South Wales Wine Industry Association

**Date received:** 10 November 2017

---

# Inquiry into the alcoholic beverages advertising prohibition bill 2015

## SUBMISSION FROM NSW WINE INDUSTRY ASSOCIATION

---

NSW wine production contributes an estimated \$1.6 billion per annum to the state's economy, directly employs around 21,000 people, and is an important part of the state's \$38 billion tourism sector. While the benefits of the wine industry resonate across the state, it plays a significant role in supporting communities across regional NSW, providing sustainable employment and boosting economic activity.

The NSW Wine Industry Association believes that wine has a legitimate and positive role in society when enjoyed responsibly by adults who choose to drink. While the consumption of wine is a normal part of an enjoyable life for a majority of New South Wales adults, alcohol use is associated with harm. Harmful drinking is a multifaceted problem that requires collaborative solutions from governments, producers, retailers, and consumers.

As drafted, the Alcoholic Beverages Advertising Prohibition Bill 2015 would introduce the most draconian restrictions on alcohol advertising and promotion in the world. In addition to banning all television, radio and print media advertising, all sponsorship of professional and amateur sports, music, community and artistic events, and all use of alcohol in competitions, raffles, fund raising and charity auctions, it would also prohibit the ability of NSW winemakers to conduct wine tastings and promote samples anywhere except at their own local wineries. It would prohibit state and regional wine shows with free tastings, including premium food and wine events, in-store tastings and tasting in locations such as restaurants, food markets, airports and even parliament. If every market where NSW wine was sold took this approach to alcohol regulation, there would be no future for the NSW wine industry.

The draft bill ignores that the drinking patterns of people in NSW and across Australia have been improving for more than a decade. Rates of binge drinking and underage drinking continue to fall, and the age of first alcoholic drink by young people has been increasing steadily over the last ten years. This has been despite the fact that alcohol advertising spend has not significantly changed in NSW during the same period. These improvements are due in large part to substantial education campaigns by government, industry and other stakeholders about the dangers of binge drinking and underage drinking, and the need for parents to have genuine, respectful conversations with children around alcohol use.

There are currently more than 6000 brands of Australian wine, and thousands of brands of imported wine available for sale in NSW. Without the ability to advertise or promote our wine to adult consumers, the only factor which will distinguish brands is price. It will lead to the commodification of the industry, and drive down price as the only way for winemakers to compete.

Alcohol advertising is already strictly regulated, through the Alcoholic Beverages Advertising Code, independently enforced with representation from the Federal Government. The Code applies

restrictions as to the content and placement of alcohol advertisements, in particular to ensure that ads are not appealing to minors, not located near schools, and that digital marketing has age restrictions on all available platforms. The Code is open to complaints about particular advertisements from the general public. Code decisions are periodically reviewed against community standards, and have been found consistent with, or more conservative than community expectations. The Code is among the strictest in the Western world, and alcohol advertisements permissible in Europe or America are regularly not used in Australia due to our local standards.

International evidence demonstrates that there is no correlation around alcohol advertising restrictions and either total or harmful consumption by consumers, including underage consumers, in those markets. As an example, the United States has very liberal advertising laws for alcohol underpinned by the First Amendment, and yet total average consumption is below that of Australia (9.2 litres versus 10.4 litres); by contrast, France has had strict advertising restrictions for all alcohol products for more than 25 years, and yet total consumption of alcohol (11.8 litres) is higher than Australia.

In fact, winemakers and other producers use advertising and promotions in order to improve market share in a mature industry, where the total consumption of alcohol has been flat or slightly declining for more than a decade. With so many brands and varieties of wine available for purchase, winemakers need a way to communicate to consumers the qualities and unique aspects of their wine compared with competitors. Advertising, sponsorship and promotion of a legal product that is enjoyed responsibly and respectfully by millions of NSW adults is a legitimate right to trade, and the current advertising code is appropriate, effective and proportionate to the risks at hand.

The NSW Wine Industry Association endorses the submission of Alcohol Beverages Australia, which provides a detailed list of international and domestic evidence supporting our position and the statements in this submission.