

Submission to: An inquiry into the health impacts of alcohol and other drugs in Australia

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Executive Summary:

- This submission is concerned with improvements needed in current legislation and its implementation across all Australian jurisdictions to increase prevention and reduction of alcohol-related health, social and economic harms, through controls of the sale and promotion of alcoholic beverages.
- Some health harms from alcohol are immediate, while others can be the result of cumulative alcohol consumption over time, but the rate of health harms to a population changes up and down with increases or decreases in the population's per-capita consumption of alcohol.
- The level of alcohol consumption in a population is affected by legislative and regulatory controls on the availability of alcoholic beverages, and their enforcement.
- The World Health Organization has identified three “best buys” in the regulation of alcoholic beverages to reduce health harms from drinking: (1) restricting exposure to alcohol advertising; (2) increasing excise taxes on alcoholic beverages; and (3) restricting the physical availability of retailed alcohol (WHO, 2017). These “best buys” are the policy changes that WHO has identified as those that are most effective and cost effective.
- The primary legislation and enforcement of these three “best buys” is divided between the federal government and state and territorial governments. Both levels of government need to act to strengthen legislation and enforcement of controls of the alcohol market so as to reduce harm from drinking in Australia.

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Introduction

Located at La Trobe University in Melbourne, the Centre for Alcohol Policy Research (CAPR) is a world-class academic unit at the forefront of alcohol research. CAPR and its staff have strong international research connections, with staff that have held research positions in the U.S., Germany, the Netherlands, Switzerland, Sweden, Canada, and New Zealand. Its staff play leading roles in international alcohol research collaborations, including the leading international social and epidemiological research society (the Kettil Bruun Society for Social and Epidemiological Alcohol Research) and alcohol policy reviews and reports of the World Health Organization and other United Nations bodies.

CAPR conducts research to improve Australia's understanding of alcohol-related harms. By using a broad range of disciplinary backgrounds (including public health, psychology, sociology, economics and criminology), we aim to produce relevant research and convey our findings to policy makers and the public. CAPR's primary research interest is in the measurement of alcohol consumption in populations, of the harms from drinking for the drinker and those around the drinker, and in the effects on population trends of policies, strategies and efforts to control alcohol consumption and limit the health and other harms from drinking. Having also been involved in population and policy studies of drug use and gambling and associated problems, we can bring lessons from these areas to bear on issues in alcohol policymaking.

We draw on results from international and Australian research and experience with organising and controlling markets in alcoholic beverages so as to limit the health and other harms from drinking and recommend legislative and implementation actions to be taken by the Australian federal, state and territory governments to limit harms from alcohol.

This submission's purpose

In terms of public health and welfare, rates of harm from drinking in Australia need to be reduced, and control of levels of alcohol consumption is a primary means of accomplishing this. Alcohol consumption in Australia is relatively high among high-income countries, ranking 16th among 40 countries compared in an OECD report (Devaux & Sassa, 2015). Per-capita consumption does not vary greatly between Australian states but is considerably higher in the Northern Territory. In Australia, as elsewhere, some harms occur from the drinking of lighter drinkers, along with more harms from heavier drinkers, and the proportion who are drinking above any given level is related to the overall per-capita consumption in the population (Room and Livingston, 2017). Rates of harms from alcohol thus go up and down in response to change in the per-capita consumption level in a population.

The primary responsibility for excise taxes on alcohol sold in Australia is at the federal level, which is also the case for the main controls on advertising and other marketing of alcohol. In contrast, the basic control systems for alcohol sales are at the state and territory level, and have evolved from systems set up in colonial times. Sales of alcohol are licensed by the state or territory, with a variety of licence types, and a major distinction between on-premise licences for serving alcohol in a restaurant or hotel/pub and off-premise sales by the bottle, can or other container for alcohol to be consumed elsewhere.

With the growth of internet and other online ordering, the on-premise vs. off-premise distinction in licences has become fuzzier, with many on-premise places permitted with various restrictions to sell alcohol for delivery off-premises. Over the years, the number of licences to sell alcohol has grown substantially, and the advent of online ordering and delivery means that alcohol is substantially more available at any address. Australia has recently experienced a seismic shift in the availability of alcohol as online purchases tripled during the first part of the COVID-19 pandemic (Roy Morgan, 2021). Alcohol industry bodies have predicted continued increases in home delivery and more cheap alcohol in post-COVID Australia (Wine Industry Network, 2022). Importantly, the rise in rapid delivery services, delivering alcohol in the same kind of time-frame as take-away food, represents a fundamental change to the availability of alcohol, as in the past drinking in private premises – where 75% of

alcohol is consumed in Australia (Callinan et al., 2016) -- was limited to the amount of alcohol already on hand.

Key Issues

Our focus is on the three “best buys” which have been identified by the World Health Organisation as policies to reduce health harms from alcohol by controlling and limiting levels of alcohol consumption. These are: (1) enacting and enforcing bans or comprehensive restrictions on exposure to alcohol advertising; (2) increasing excise taxes on alcoholic beverages; and (3) enacting and enforcing restrictions on the physical availability of retailed alcohol (WHO, 2017).

Action on these “best buys” is a matter partly for state and territorial governments and partly for the federal government. Controlling and restricting advertising is primarily a federal matter, although state, territorial, and local governments also have parts to play in this. Excise taxes are a federal matter. Restricting the physical availability is a mostly a state and territorial responsibility, involving licenses to sell alcohol and limits on the times when such selling and delivery can occur.

Recommendations

- On alcohol advertising and other marketing: The federal government has prime responsibility to restrict and regulate advertising and other marketing on television and other traditional media, and online. On television and radio, alcohol advertising and other paid promotion of alcoholic beverages ideally should be prohibited by federal legislation. If it is allowed at all, alcohol beverage promotion in connection with sports events and between 6am and 9pm should be prohibited to protect minors.

State and local regulations should prohibit alcohol advertising on trains, buses, and other public transport, and at bus- and tram-stops and other equipment and installations for public transport. Alcohol advertising should be prohibited on billboards on publicly-owned property.

- Federal legislation should provide that the excise taxes on alcohol beverages will be equalised between beverage types and based on the ethanol content

of the beverage. The level of the tax should be at least as high as the current excise tax on spirits drinks.

- Concerning the granting and supervision of licences for selling alcohol, and the provisions in the licences, the general rule for state and territorial legislatures and regulatory agencies should be that fewer licenses and greater restrictions are better for improving public health and welfare. On-premise licenses should not be extended the right to provide off-premise alcohol.
- Any delivery of alcohol to a home or other off-premise locations should be by a carrier who is employed by or under the control of the licence-holder, and subject to the delivery conditions of alcohol license-holders. There should be a delay of at least two hours between online ordering and home delivery, and delivery should not be allowed to an intoxicated person.

Conclusion

- Liquor licensing, alcohol taxation and control of alcohol advertising have some common features and a fairly lengthy history in all Australian jurisdictions. In recent years, changes in everyday life that have come with electronic communications and the internet have made alcoholic beverages more available to consumers, and legislative and enforcement arrangements have not fully kept up with controlling the increased availability of alcoholic beverages. Relentless pressure from economic interests in the alcohol trade have also resulted in weakening of Australian alcohol control systems. In accordance with the lead set by the World Health Organization, we propose measures to strengthen Australian alcohol controls with respect to taxation on alcoholic beverages, their availability in time and space, and advertising and other marketing of them.

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