I would like to commend the Government on its proposed changes to the alcohol excise regime on Ready-to-Drink Alcohol Beverages often referred to as "Alcopops". I submit that the Senate support these changes and work in a bi-partisan way in an attempt to make our country a better place and to help curb the "binge-drinking" culture of Australia. We need to recognise however, that **one initiative alone will not be enough** in order to change the behaviours of those drinking to excess and putting a burden on society from the ills that follow from their actions. I wish to address the terms of reference dealing with who and how much is being drunk, reasons for concern, how effective the tax increase is or will be and what other steps need to be taken to address the problem.

It has often been noted throughout history that what one generation uses in moderation the next generation takes to excess. Our use of legal drugs such as tobacco and alcohol has paved the way for future generations to abuse and then want stronger fixes such as the illegal drugs like marijuana, ecstasy, heroin, ice, crack etc. All of these things, affect our present health and the health of future generations, in many cases subtly changing the DNA so that we become more and more enslaved to them. I believe that alcohol has had an enormous impact on our country, causing death, violence, accidents, marriage breakdowns, and depression etc.

As a government, the responsibility of forming laws and taking steps to safeguard the members of our society is daunting. However, I believe that unless governments take this seriously and try every available measure to protect its citizens then they stand in breach of "not taking reasonable care".

A study into the drinking habits of Australian 15-17 year olds from February 2000 – February 2004 shows that:

Shifts in beverage preferences among female lower risk drinkers have been most notable with respect to pre-mixed spirits. The share of consumption for pre-mixed spirits increased five-fold from 10% in 2000 to 60% in 2004. Similar to female lower risk drinkers, shifts in beverage preference among higher risk female drinkers have been striking for pre-mixed spirits. The consumption share for premixed spirits has increased four-fold across the surveys, from 11% in 2000 to 55% in 2004.¹

Amongst lower risk male drinkers, a two-fold increase in the total consumption of pre-mixed spirits has occurred at the expense of other spirits and to a lesser extent alcoholic soda/cider/coolers. The total consumption of pre-mixed spirits increased dramatically due to an increased proportion of males consuming pre-mixed drinks, and an increase in the average number of these drinks they consumed. The beverage types associated with the highest levels of

consumption amongst higher risk male drinkers in 2004 were beer (mean consumption level of 9.0 standard drinks) and pre-mixed spirits (8.5 standard drinks).²

The average amount of alcohol consumed by those teenagers who do drink at higher risk levels has remained relatively constant and alarmingly high. Consistently across the February surveys, the average number of drinks consumed by males drinking at higher risk levels (i.e. between 7 and 25 drinks) has been approximately 12.4 standard drinks, excluding February 2002 where it was around one standard drink less. The equivalent measure for females drinking at higher risk levels dropped by around one standard drink between 2000 and 2001 (from 9.5 to 8.2 standard drinks) where it remained until 2004 when it increased to 9.0 standard drinks. These levels of consumption suggest significant intoxication and serious exposure to potential harm for these teenage drinkers.³

Mat Baxter, a partner in the media planning agency Naked Communications has stated that "Australians were the most prolific RTD drinkers in the world."⁴

"The 2005 national secondary schools survey showed that 47 per cent of 12- to 17-year-old girls and 14 per cent of boys had drunk pre-mixed spirits in the last week. Australian Bureau of Statistics figures revealed a 9 per cent jump in RTDs on the market between 2005 and 2006."⁵

The industry maintains that 80% of the RTD market is young men over 25 who drink spirits-based cola drinks. But an alcohol marketing insider recently confessed to The Age that companies were deliberately making stronger, sweetened drinks to appeal to young people who "like to get drunk faster."⁶

One of the reasons that alcopops are so popular with teenagers is that the drink disguises the taste of alcohol.

"As one journalist quipped, an alcopop is 'a fizzy drink which allows alcohol to be introduced into the bloodstream while bypassing the taste buds".⁷

Choice magazine conducted a test of 18-19 year olds and their ability to detect the alcoholic content in unmarked samples. Their results stated:

"Many of our teenage participants had difficulty detecting alcohol in the alcopops — only 69% thought they contained alcohol, compared with 100% correctly identifying the beer and wine as alcoholic drinks. Almost a quarter (24%) of the teenagers couldn't taste the alcohol in alcopops. They found it most difficult to identify it in Vodka Mudshake (which looks and tastes rather like a chocolate milkshake), particularly the males — only 51% thought this beverage contained alcohol. These were 18 and 19-year-olds with some experience drinking alcohol.

It's likely younger drinkers would find it even harder to tell. According to one participant, 'That's what these are great for — because they do taste like soft drink, it's good for kids that have no alcohol experience whatsoever, so they don't have to taste the alcohol and they don't realise how drunk they're getting.' And in terms of appeal, alcopops were the most popular alcoholic beverage in our trial — 60% of participants liked their taste (not far behind the 77% who liked the soft drinks), compared with 25% who liked wine and 38% beer."⁸

"They're the most commonly consumed form of alcohol among 12–17-year-old girls, are considered an initiation drink by many young people, and have been described by industry and concerned groups alike as 'bridging' or 'gateway' beverages for less experienced drinkers, who aren't yet used to the taste of alcohol."⁹

Since the beginning of the 1990s alcohol consumption rates have risen and regular rather than occasional use has also increased.¹⁰ The high consumption rates of Australians are reflected in our health statistics. Alcohol is a major cause of drug-related deaths and hospitalisations which were a result of cirrhosis of the liver, strokes and motor vehicle accidents.¹¹ Excessive alcohol consumption is a major health risk for young people. Young people are drinking earlier and at more harmful levels than previous cohorts and binge drinking is common.¹² Young people in their 20s drink more heavily than any other age group and those aged 18 to 25 are at the highest risk of alcohol related injury and harm.¹³ The Australian National Survey of Mental Health and Wellbeing found that 60 per cent of people with DSM-IV alcohol dependence were in the 18 to 34 year-old age group.¹⁴

A sharp rise in alcohol-related violence has also brought binge drinking to the forefront and measures taken by some councils (e.g. Newcastle) to limit trading hours have seen a dramatic reduction in crime in the area. The National Drug Household survey showed one in three Australians want a reduction in licensed venues while one in four backed a price hike for alcohol.¹⁵

Alcohol cost the Australian community about \$15.3 billion in 2004-5 through crime, violence, treatment, loss of productivity and premature death. It is the second biggest contributor to chronic disease in Australia after smoking.¹⁶

So what can be done to effectively combat this problem?

I congratulate the government on taking a **first initial step** in trying to tackle this issue.

The decision to raise taxes on Ready-to-Drink Alcohol beverages helped to close a loophole opened when GST was introduced in 2000. The taxation system for premixed spirits was changed to attract a lower rate than more potent standard spirits.

Thus, tax on a 5% strength can of bourbon and cola would mirror that on a can of beer of similar potency. This seemed logical and just. However the alcohol industry introduced drinks with 7% and 9% alcohol, containing two or three standard drinks in one can or bottle. With the low taxes keeping prices down, these drinks attracted those on small budgets, quickly becoming the drink of choice for a generation of young drinkers. The industry has recently, due to increasing public and the possibility of government pressure, taken those above 7% off the market. In the past four years alone there has been a 36% increase in sales of RTDs.¹⁷

Research shows taxing drinks based on their alcohol content is one of the best ways to stop people from drinking too much. The new volumetric system — where spirits-based products are taxed according to alcoholic volume — means the higher strength products could become too expensive for most drinkers, especially young underage drinkers.

So will a change in the tax excise on RTD's be effective?

In an article in the Herald Sun on May 21, 2008, it reported that:

"Alcopop sales have dropped substantially since the Rudd Government's controversial tax increase. Lion Nathan boss, Rob Murray, said the sharp jump in prices has resulted in an estimated 20-30 per cent drop in the sale of alcopops over the past month.

'The first 4-6 weeks were always going to be the worst in terms of a drop in sales,' Mr Murray said. 'It has been a substantial reduction in sales so far, but we will have a much clearer picture in six months' time about the true impact of the tax changes."¹⁸

We can see that the higher tax has already had an effect on the consumption of alcopops. However, unless all forms of alcohol, not just spirits-based ones, are taxed at similar rates, young people will change to different but more affordable ways of getting their alcohol such as beer and bottled spirits.

"Safeway supermarket spokesman Luke Schepen said across the country the sale of alcopops had declined, while beer and bottled spirits had increased. "We have seen a general decrease in RTDs and a shift toward bottled spirits," Mr Schepen said."¹⁹

So how can the government make more effective measures to curb binge drinking?

I would propose that the tax on RTD's is **only one step** in many. Below are a number of ways that the government could help address the situation.

- 1. A tax that applies across all forms of alcohol below 10% would be a better system, making all alcohol more expensive in the same way that taxes on cigarettes has also helped in curbing tobacco use. While this would affect the alcohol industry I hope the minister, Ms Roxon will stay true to her words, "I really don't think that ultimately that's [the business interests of the industry] a key consideration for doing something where there's clear evidence that we might be able to protect young people."²⁰ I hope that any measure that will stop young people drinking themselves to an early grave, will be considered. As she stated, "When you've got nearly 20,000 kids, girls 15 and under, who are drinking every single week then this is a huge problem, but if we act now we may be able to turn it around."²¹
- 2. Lowing the amount of alcohol allowed in RTDs to less than 3% a harm minimisation scheme which would help to lower the likelihood of bingeing.
- 3. Warning labels on all alcoholic beverages, particularly for FASD. While many would argue that warning labels do not have an effect, the reality is that in the case of the tobacco industry it has helped to diminish the use of cigarettes and it fulfils the duty of care that we have to inform people of risk, leaving them free to make an informed choice.
- 4. Education on the damage that alcohol causes to the brain and the unborn generation is needed. Instead of just thinking of the revenue raised by increased taxes, the government and industry needs to set aside money to educate the public on the hazards of alcohol consumption. ARBIAS, is an organisation that specialises in treating alcohol-related brain injury. Dangerous drinking is putting 2 million Australians at risk of permanent brain damage but most people are unaware of it, research has revealed. Research conducted as part of a campaign, "Hangover for Life", revealed that 70% of men and 59% of women did not know how many drinks a day put them at risk of brain damage. Men who consumed six standard drinks a day for eight to 10 years and women who consumed three standard drinks a day during the same period were at high risk of brain damage. A bottle of wine with dinner every night is potentially hazardous.²²

brain damage, society impacts, FASD but also its strong association with cancer, particularly breast cancer. The future cost to society because of current drinking trends could be enormous.

5. There needs to be a limit or ban on alcohol advertising. In the same way that tobacco advertising was banned, so alcohol advertising needs to be regulated much more than at present. People can have a good time without alcohol. Our youth are led to believe that fun is only bound up in a bottle or can. It's time we demonstrated that there is more to life and fun than alcohol. How sad to assume that life cannot be complete without a can! The brain rewards positive actions with feelings of pleasure so we want to repeat them. We remember pleasure from

dopamine , a "feel-good" brain chemical or neurotransmitter. Alcohol tricks the brain into generating a pleasure-reward feeling from a harmful chemical by pretending to be a neurotransmitter. Because the teen brain produces an abundance of dopamine, the teen can rapidly go from liking, to wanting, to needing alcohol, programming them for alcoholism. Those who drink before the age of 15 are 41% more likely to develop alcohol dependence than those who drink at a later age. (e.g. At 21 years there is a 7% chance of addiction).²³

- 6. Restrictions on trading hours of pubs & clubs. Recent statistics in the Newcastle CBD has shown that limiting the trading hours of pubs and clubs has dramatically reduced crime. This needs to be adopted in more areas and we would see a better society.
- 7. Stricter laws regarding serving intoxicated customers. Establishments need to be held accountable for continuing to serve intoxicated customers. They have a duty of care to their clients.
- 8. A reduction of the number of alcohol outlets. Why do we need bottle shops in supermarkets, and within five minutes drive of one another? Alcohol is too readily available.
- 9. A limit on alcohol sponsorship of sport. In recent months, news of sports persons who have destroyed their futures in sport because of alcohol has become too common. It seems strange that the very thing which destroys potential is used to promote what it eventually takes away from the person. Sport would be greater served by gaining sponsorship from organisations that promote health and well being instead of by an industry that takes it away.
- 10. Consideration of raising the drinking age to 21.

The brain is not fully developed until the age of 21 or older. While young children increase the volume of their brains-the number of brain cells and the connections between them, teen brains are creating effective neural pathways. The neurons' structure changes as they become encased within myelin. Myelin insulates the neurons and speeds the impulses carried by the brain cells. This insulation process occurs especially in the prefrontal and frontal lobes of the brain during adolescence. Teenage drinking acts like a computer virus causing severe changes to this part of the brain. This will affect thinking, planning, good judgement, decision making and impulse control. It can alter the development of adult personality and behaviour and the damage may be irreversible. Connections between brain cells are also pruned and eliminated during these years, so that only the most efficient connections are maintained which improves reaction times. So brain development is occurring in areas of the brain critical for considering the consequences of actions, responding to stress, and managing physiological drives. The worst damage to the brain caused by teens drinking occurs in the hippocampus. Those who drink more and for a long time may have as much as a 10% smaller hippocampus. Short term or moderate drinking impairs learning and memory far more in youth than in adults.

Additional negative effects as a result of teen drinking include:

- · decreased ability in planning and decision making
- decreased ability in executive functioning
- decreased memory
- decreased attention span
- decreased spatial operations
- decreased academic performance.²⁴

Let's make sure that our youths' brains are protected for as long as possible – they only get one of them!

11. Introduction of a drinking license.

"All adults have the right to work, but they do not have the right to work irresponsibly. Consequently electricians, plumbers, nurses, doctors, pilots and the like are licensed on the basis of demonstrated ability to carry out their profession in a capable and responsible manner. All adults have the right to drive a motor car, but they do not have the right to drive irresponsibly. People are permitted to drive a motor vehicle only when they have demonstrated their ability to drive carefully. Adults have the right to drink alcohol, but in our opinion they do not have the right to do so irresponsibly. Therefore, as in the case of a motor vehicle or a profession, they should be permitted to drink alcohol only when they have been educated in responsible drinking and have demonstrated that they have understood what careful drinking involves. They should then be licensed and the licence reviewed annually. In this way, people within the community who may be vulnerable to alcohol abuse and those predisposed to alcohol should receive community support to resist the temptation of drinking."²⁵

This license could be administered by a range of government bodies, including educational institutions and be given after appropriate knowledge and understanding on a range of hazards associated with alcohol abuse are gained as well as the understanding of the duty of care that the drinker should have for themselves and others. Loss of license would be on a point system, not unlike that used in driving licences, with reinstatement following a rigorous retraining program.

I would encourage the government to continue to adopt measures that will help prevent the culture of binge drinking. No one action will be enough by itself. But a range of measures combined with well thought plans which demonstrate a duty of care for the citizens of this country will go a long way in making our country one that we can be proud of.

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