

Excise Tariff Amendment (2009 Measures no.1) Bill 2009
Custom Tariff Amendment (2009 Measures no.1) Bill 2009
Minority Report by the Australian Greens

Senator Rachel Siewert

The Australian Greens agree with the findings of the majority report in so far as the evidence of sales of RTDs have dropped and it is fair to assume that this has had to date a positive impact on the drinking behaviour of young people, particularly women. However, we are deeply concerned that unless this taxation measure is part of a more comprehensive approach the effect of this decrease will only be temporary.

The Greens remain concerned by the consistently high levels of alcohol-related harm experienced in Australia. Australia experiences relatively high levels of harm by comparison to international levels, and has done for a considerable period of time. Alcohol-related harm, in terms of increased levels of alcohol-related chronic illness, alcohol-related injuries including motor vehicle accidents, and alcohol-related violence, costs our community in excess of \$15.3 billion per year¹.

At the same time alcohol is a significant source of taxation revenue for the Commonwealth Government. The proposed excise on ready to drink alcoholic beverages is estimated to deliver \$1.6 Billion over the next four years. This is in addition to the over \$7.1 Billion per year of estimated revenue² already contributed by taxes on alcohol sales.

The Australian Greens believe that Australian Government needs to be devoting a much higher proportion of the revenue that it secures from alcohol to reducing the significant costs of alcohol to our community. As evidence to the committee inquiry demonstrated, not only do we have a good understanding of the harm that alcohol is doing to our community (particularly the young, the marginalised and the vulnerable) but we know a lot about the kinds of public health interventions that have proven effective internationally and within Australia in reducing this harm. Our governments continue however to under-resource existing efforts to minimise harmful drinking and to pull back from implementing the evidence-based policies that would help ameliorate the sorrowful impacts of a pervasive culture of drunkenness.

¹ Australian Institute of Health and Welfare, *Alcohol and Other Drug Treatment Services in Australia 2005-06*, 2007, p.14.

² Estimated figure for 2008/09, joint submission to *Australia's Future Taxation System* review panel from health organisations, submission 15.

We already have a good understanding of what works to reduce the consumption of alcohol, tobacco and junk-food, and there is a suite of positive evidence-based measures readily at hand that we believe the Government should be pursuing. Currently the Commonwealth is profiting from high levels of alcohol consumption, is aware of the significant costs to our health and criminal justice systems and the significant distress and grief this causes to our community. However, it is offering only partial measures and holding back from tackling some of the more substantial issues – like stopping alcohol being advertised to children, phasing out alcohol sponsorship of sport, mandating warning messages and hazard labelling, resourcing hard-hitting and effective social marketing campaigns and investing in early identification, counselling and rehabilitation services.

High levels of risky alcohol consumption and of alcohol-related harm among young Australians do not represent a sudden crisis. Risky drinking levels have been alarmingly high for some time, and the high risks of harm are not confined to the young, but spread across a substantial proportion of our population. We note the evidence to the committee that the real rapid growth in risky drinking occurred predominantly during the 1980's, and that rates of alcohol consumption have remained at high but relatively static levels since then.

While the evidence presented to the committee (as discussed in the committee report) indicates that the RTD excise has had a welcome impact on reducing the sales of RTDs and has led to an overall reduction in alcohol consumption (with relatively low levels of substitution taking place), we remained concerned that the failure to integrate the RTD tax into a more comprehensive strategy is undermining the effectiveness of this clear price signal. We remain concerned that in isolation these measures will not achieve the desired sustained reduction in risky drinking among young Australians, and the window of opportunity this intervention has offered may be squandered.

There has been a consistent theme throughout the evidence presented to this inquiry by public health researchers and drug and alcohol experts that an integrated and sustained national campaign similar in the scale and longevity to previous campaigns addressing the harms caused by tobacco is required to change our drinking culture and reduce the level of alcohol-related harm and violence, especially among the young and those at greatest risk of harm.

The Australian Greens believe we urgently need to address the issue of alcohol advertising. We believe that in the longer term Australia should be moving to ban all alcohol advertising, sponsorship and promotions. We think that much greater regulation of alcohol advertising is needed as a first step, together with the phasing out of alcohol sponsorship over a period of five years. We advocate a model similar to that used to replace tobacco sponsorship, using a proportion of alcohol revenues

to provide substitution sponsorship of sport and cultural events and the promotion of public health messages.

We need mandated health warning messages in all alcohol advertising with these warning messages also clearly visible at the point of sale.

In light of a decade of evidence that attempts to reform the process of self-regulation have made little difference to the preponderance of inappropriate advertising of alcohol, we believe that as a minimum course of action the Government should move to enforceable regulation of alcohol advertising, sponsorship and promotions, including compulsory pre-vetting of alcohol ads by an independent panel of public health experts.

The Greens want to close the loophole that allows alcohol advertising during live daytime sports telecasts. We believe that it clearly contradicts the logic and the intent of the restrictions on advertising alcohol to children as contained within the code and there is no justification for this loophole. However, we also note evidence on the viewing patterns of 14-19 year olds suggests that merely restricting television alcohol advertising until after 9pm at night (and failing to address pay TV) will do little to reduce their exposure to these ads and more comprehensive advertising and sponsorship bans are clearly needed.

We believe that there is already sufficient evidence on which to act, and the high levels of alcohol-related harm mean that we should act quickly and comprehensively. We also note in passing the failure of the previous government to act on this pressing issue during its eleven years in office, and the manner in which the amendments it introduced in 2000 that reduced the excise rates on RTDs created the opportunity for the distillation industry to achieve substantial market penetration of 'alcopops'.

The Australian Greens believe that public opinion has shifted substantially on the issue of alcohol in sport, as was recently demonstrated by the public response to a number of high profile stories involving binge-drinking celebrity sports stars, violence and sexual abuse. Australian kids look up to their sporting heroes, and Australian families want to see our major sporting events remain financially viable – but they are becoming increasingly fed up with bad behaviour off the field or their enjoyment of their events being ruined by drunken yobbos in the stands.

The experience of tobacco shows us clearly that it is possible to use substitution funding to support the phasing out of alcohol sponsorship of sporting and cultural events. We believe that this is an idea that's time has come – the Rudd Government needs to show leadership in this area, and begin to move towards phasing out alcohol sponsorship.

The Greens remain concerned that too many of the resources currently devoted to preventative public health strategies is poorly targeted. While we welcome the commitment by the Commonwealth to invest \$800M over six years to the National Partnership on Prevention through COAG, we remain concerned that a significant proportion of this funding will be direct transfers to States and Territories to prop up existing programs. While a minority of these programs are well targeted and effective measures, we are disappointed that on the whole this is simply more of the same. Unless the Commonwealth is prepared to tackle the big issues of alcohol and junk food advertising and promotions, these efforts are likely to prove ineffective by comparison to the much greater resources industry is able to bring to bear to promote harmful products that are attractive to children and young Australians.

We believe that large, well designed health warning labels with strong and well-targeted messages can play a key role in reminding drinkers at the point of consumption of strong health and safety messages.

The Australian Greens believe that reducing the availability of alcohol through restricting the number of alcohol outlets and trading hours should be backed up by place-based strategies to reducing alcohol-related harm and violence and improve the safety and public amenity of late night entertainment precincts and other problem areas. We need to promote a culture of responsible alcohol consumption, not a culture of drunkenness.

We believe that we need a more joined-up and better resourced approach to referral, treatment and rehabilitation services for problem drinkers that maximises the benefits of early intervention, and ensures that those seeking help can access appropriate support in a timely and effective fashion.

The Australian Greens advocate a sustained, comprehensive, long-term strategy to reduce alcohol-related harm, decrease the incidence of underage drinking and alcohol-related violence, improve referral, treatment and support for problem drinkers, and promote a culture of safe and responsible alcohol consumption.

Recommendations:

- 1. The RTD excise needs to be part of a more comprehensive approach to reducing alcohol-related harm.**
- 2. More of the revenue raised from the RTD excise should be directed to addressing alcohol-related harm through evidence based measures.**
- 3. The phasing out alcohol sponsorship over 5 years and its replacement with substitute funding that promotes public health messages.**

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4. Mandated safe drinking messages on all alcohol advertisements and at point of sale.
 5. Better regulation of alcohol advertising: – to remove industry self-regulation, to close the loophole that allows advertising alcohol to children during sport, and to require mandatory pre-vetting of alcohol ads by a panel of independent public health experts.
 6. Alcohol labelling regulations that stipulate distinctive, graphic and well-designed health warning labels.
 7. Promote a national drug and alcohol helpline as part of this campaign that links through to existing drug and alcohol counselling and advice services in States and Territories.
 8. Support a joined-up client-focussed approach to alcohol referral, treatment and rehabilitation that ensures that those seeking services can access them in a timely fashion and are seamlessly supported throughout their rehabilitation process.
 9. All states and territories should mandate the collection of alcohol sales data from licensees.
 10. Resource an early warning monitoring system which regularly assesses consumption and harm among sentinel groups of young at-risk people across Australia.
 11. Emergency department electronic recording procedures should be standardised across the country and allow identification of alcohol-related events as is currently the case for hospital admissions, and Police reports of violence, road crashes and disorderly offences should be flagged where they are alcohol-related.
 12. Develop early identification and referral services for at-risk drinkers to maximise the benefits of early intervention, particularly among younger drinkers.
 13. Resource dedicated brief intervention nurses in hospital emergency departments to identify and respond to alcohol-related harm.
 14. Resource state and local governments to introduce place-based strategies in late-night entertainment precincts and other problem drinking areas to reduce alcohol-related harm and violence and improve public safety and amenity.
 15. Well-resourced and targeted evidence-based public education and social marketing campaigns to educate at-risk groups of the risks associated with problem drinking and promote a culture of responsible drinking.

16. States and Territories should reduce the availability of alcohol through tighter restrictions on the number of alcohol outlets and tighter limits on trading hours.

A handwritten signature in black ink, reading "Rachel Siewert". The signature is written in a cursive, flowing style.

Senator Rachel Siewert
Australian Greens Whip