

Senate Community Affairs Committee

ANSWERS TO EXCISE TARIFF AMENDMENT (2009 MEASURES NO. 1) BILL 2009  
QUESTIONS ON NOTICE

HEALTH AND AGEING PORTFOLIO

Public Hearings, 10-11 March 2009

Questions: 1-4

OUTCOME 1

Topic: RTD Excise inquiry

Hansard Page: ---  
11 March 2009

Senator asked:

Q1 Can you give me information on what data sets will be used to evaluate the RTD excise increase.

Answer:

There is a number of alcohol data collections that the Department can use to evaluate the RTD excise increase.

Evaluation of the RTD excise increase is being conducted as part of the evaluation of the broader National Binge Drinking Strategy. Government programs to control alcohol abuse are not limited to the taxation of alcohol products but constitute a balanced package of measures including public education and information campaigns, community prevention initiatives, and treatment programs which all make a contribution to reducing alcohol abuse and related harms.

Alcohol consumption is a complex social behaviour embedded in an extensive social milieu that, for an appropriate analysis, requires information from more than one information source.

In the short term the Department has received data from the Australian Taxation Office (ATO) in the form of excise duties paid by the industry on the amount of pure alcohol entering the market.

This shows that from May to January 2009 total spirits clearances (both excise and customs duty) decreased by 7.9% relative to the same period in 2007. While straight spirits clearances increased by 17%, RTD clearances decreased by 35%, which more than offset the straight spirit increase.

Industry sales data have also started to come in. Sales data show that, in the three months following the increase in excise, 91 million fewer standard drinks were sold as RTDs.

Increases in spirit and beer sales only accounted for 53% of the RTD decrease. Wine sales decreased across this period.

### **Australian Secondary School Students Survey**

The Department co-funds the Australian Secondary School Students Alcohol and Drug Survey (ASSSAD) and supports the production of the monograph, *Australian secondary schools students' use of alcohol*. The ASSSAD reports on the prevalence of alcohol use among 12-17 year old school students and is conducted every three years.

Data collected in the second half of 2008 are currently being analysed and results will be published late in 2009.

*In the longer term:*

### **National Drug Strategy Household Survey**

The Department is designing a specific RTD module for inclusion in the 2010 survey questionnaire to seek information on the effects of the RTD excise increase on consumption, some harms, and risky behaviour. Data will be collected using a questionnaire and telephone interview over 3-4 months in 2010.

### **Campaign Evaluation Research**

The evaluation research of the National Binge Drinking Campaign is being expanded to provide an additional view of the outcomes of the RTD excise increase. A Campaign Evaluation Report will be available late 2009 and will include information on consumption patterns, harms that young people may experience as a result of binge drinking, as well as exploring attitudes and behaviours that may be related to the RTD excise increase, and any substitution effects.

The evaluation research is being conducted via an online methodology amongst 1000 teens aged 15-17, 2000 young adults aged 18-25 and 1000 parents of children aged 13-17 for each wave of data collection.

A contract has been signed with a research company to conduct quantitative benchmark and tracking research for the campaign. There are four waves of data collection. Benchmark research was conducted prior to the launch of the campaign.

The second wave of data collection will be undertaken in March 2009. There will be two more waves of data collection planned for October/November 2009, and March 2010, to coincide with the next phase of advertising activity.

### **Alcohol Indicators Project**

In 2009 the Department will commission a national drug and alcohol research centre to develop national standards for the analytic methods used by researchers to derive alcohol-related statistics. This will improve the quality of Australian alcohol data, provide easier to understand figures, and minimise the possibility of incorrect or inaccurate interpretations of data. The standards will be published by mid 2010.

Senator Asked:

Q2 What is the proportion of the Australian population drinking at risky or high risk levels and does this differ with the type of alcohol beverage consumed?

Answer:

About 35% of people consume alcohol at levels that risk harm in the short-term, and around 10% of people consume alcohol at levels that risk harm in the long-term.<sup>1</sup>

For young people, the figures are much higher. Young people aged 18-24 years have the riskiest drinking patterns with almost two-thirds drinking at risky or high-risk levels for harm in the short-term.<sup>2</sup>

For underage drinkers, more than 80% of all the alcohol they consume is drunk at risky or high risk levels for short term harm.<sup>3</sup>

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<sup>1</sup> Australian Institute of Health and Welfare. (2008). 2007 National Drug Strategy Household Survey: Detailed Findings

<sup>2</sup> 2007 National Drug Strategy Household Survey

<sup>3</sup> Chikritzhs, T., Pascal, R., & Jones, P. (2004). Under-aged drinking among 14-17 year olds and related harms in Australia, National Alcohol Indicators (Bulletin No 7, pp. 1-4)

**Alcohol consumption, risk of harm in the short term:  
Proportion of the population aged 14 years or older, by age and sex<sup>4</sup>**

Age Group	Risky Drinking At Least Yearly	Risky Drinking At Least Yearly	Risky Drinking At Least Yearly
	2001 Males	(per cent) 2004 Males	2007 Males
14-19	42.7	36.9	37.4
20-29	64.1	64.8	62.8
30-39	50.4	53.6	48.6
40-49	37.8	41.9	42.1
50-59	28.4	31.1	30.6
60+	13.4	14.6	14.9
<b>14+</b>	<b>39.3</b>	<b>40.3</b>	<b>38.7</b>

  

	2001 Females	2004 Females	2007 Females
14-19	46.4	42.2	41.2
20-29	56.5	57.2	56.0
30-39	36.5	39.1	39.6
40-49	28.6	32.8	32.7
50-59	16.2	17.2	19.4
60+	4.6	7.1	7.5
<b>14+</b>	<b>29.6</b>	<b>30.7</b>	<b>30.5</b>

  

	2001 Persons	2004 Persons	2007 Persons
14-19	44.6	39.5	39.2
20-29	60.4	61.0	59.4
30-39	43.3	46.3	44.0
40-49	33.3	37.3	37.4
50-59	22.4	24.1	25.0
60+	8.7	10.6	11.0
<b>14+</b>	<b>34.4</b>	<b>35.4</b>	<b>34.6</b>

<sup>4</sup> 2007 National Drug Strategy Household Survey

The consumption patterns of RTDs by sex and age group in Australia are described in Table 1, derived from the 2007 National Drug Strategy Household Survey (NDSHS).<sup>5</sup> The Department has asked the AIHW to publish this as an addendum to the NDSHS *Detailed Findings* report, as short term risk is a more accurate indicator of harm than longer term risk for young people.

**Table 1: Type of alcohol usually consumed, recent drinkers aged 14 years or older, by short-term risk status, 2007 ( per cent).**

Age Group	Type of alcohol usually consumed	Males		Females	
		Low Risk	Risky / High Risk	Low Risk	Risky/ High Risk
14–19	Bottled spirits and liqueurs	37.3	64.5	54.2	75.9
	Bottled wine	14.5	14.0	20.7	22.5
	Cask wine	4.6	12.4	4.0	12.2
	Cider	2.3	8.3	3.1	6.6
	Fortified wine/port/vermouth/sherry etc	8.4	19.2	7.3	12.5
	Low Alcohol Beer	11.9	6.1	6.9	2.8
	Mid Strength Beer	18.1	18.3	8.7	9.3
	Pre-mixed spirits in a bottle	26.3	39.1	58.9	75.3
	Pre-mixed spirits in a can	48.6	64.7	51.2	73.4
	Regular Strength Beer	39.7	72.3	7.6	20.8
20–29	Bottled spirits and liqueurs	47.4	61.5	51.7	67.6
	Bottled wine	34.3	33.9	57.2	64.0
	Cask wine	5.2	8.8	8.0	14.4
	Cider	3.3	5.3	5.7	8.0
	Fortified wine/port/vermouth/sherry etc	17.1	18.7	15.8	15.2
	Low Alcohol Beer	15.2	6.9	6.2	5.4
	Mid Strength Beer	21.5	17.6	7.6	11.4
	Pre-mixed spirits in a bottle	24.8	28.0	45.9	49.3
	Pre-mixed spirits in a can	38.7	56.4	30.4	46.4
	Regular Strength Beer	57.8	78.3	16.7	38.1

The majority of young people aged 14-19, particularly young females, prefer to drink pre-mixed RTDs in a bottle or can. In addition, young people who drink at risky or high risk levels for short term harm have a stronger preference for RTDs, and more commonly list them as their usual drink compared to those who drink at low risk levels.

<sup>5</sup> Australian Institute of Health and Welfare 2008. *National Drug Strategy Household Survey: First Results*; AIHW cat no PHE 987. AIHW: Canberra.

Senator Asked:

Q3 Why do parents supply alcohol to minors?

Answer:

Some parents supply minors with alcohol believing that this is the best way to teach responsible drinking behaviour, whilst others do so because they believe it will provide them with control over the quantity consumed.<sup>6</sup> In addition, some parents have the perception that access is not a real barrier for adolescent drinkers.<sup>7</sup> Many conclude that adolescent drinking is inevitable, and given the choice, they would prefer to have their children drink at home under their supervision than for them to drink in a public place.<sup>8</sup> Contrary to this, others recommend that until it can be proven that it is not harmful, a more cautious approach involving not supplying alcohol should be adopted.<sup>9</sup>

A large body of literature exists, drawing conclusions in the key areas of: frequency of adolescent consumption, quantity of consumption, binge drinking, supply for parties, supervision and the possible long-term impacts of parental supply.

Despite the sale of alcohol being restricted to those over the age of 18 in Australia<sup>10</sup>, the 2007 National Drug Strategy Household Survey reported that 82% of young people aged between 14 and 19 years of age reported that they had been offered, or had the opportunity to have, alcohol.<sup>11</sup> Hazardous drinking patterns among Australian youths are common, with over 80% of all the alcohol consumed by 14-17 year olds being drunk at risky or high risk levels for short term harm<sup>12</sup>.

The 2005 Australian Secondary School Students Alcohol and Drugs Survey notes<sup>13</sup> that the most common answer to the question "Where, or from whom, did you get your last alcoholic drink?" among Australian teenagers aged 12-17 who had drunk alcohol in the past week was 'My parents gave it to me' (37%). Friends and 'someone else bought' were the next most commonly reported sources, with 21% of respondents indicating each of these sources.

Data from the analysis of the 2004 National Alcohol Campaign survey found that 55% of 15-17 year olds who had drunk alcohol in the previous three months reported that at least one of their sources of alcohol on their last drinking occasion had been their parents.<sup>14</sup> This source was reported more frequently than any other. Friends and siblings (one category) was the second most frequently reported source (42%). When investigating the 'source of alcohol

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<sup>6</sup> Graham, M. L., Ward, B., Munro, G., Snow, P., Ellis, J., Graham, M. L., et al. (2006). Rural parents, teenagers and alcohol: what are parents thinking? *Rural & Remote Health*, 6(1), 383.

<sup>7</sup> *ibid*

<sup>8</sup> Oreckin, M. (2005). You must be over 21 to drink in this living room. *Time*, 165(6), 142-143.

<sup>9</sup> Toumbourou, J. W., Rowland, B., & Jeffrey, A. (2005). Could an alcohol - abstinence focus through childhood and adolescence reduce alcohol - related harm? *Prevention of alcohol - related harms*, 13.

<sup>10</sup> Summary Offences Act No 25. (1988). Possession of liquor by minors. Sydney: NSW Government.

<sup>11</sup> 2007 National Drug Strategy Household Survey.

<sup>12</sup> Chikritzhs et al 2004

<sup>13</sup> White, V., & Hayman, J. (2006). Australian secondary school students' use of alcohol in 2005: National Drug Strategy Monograph Series.

<sup>14</sup> King, E., Taylor, J., & Carroll, T. (2005). Alcohol consumption patterns among Australian 15-17 year olds from 2000 to 2004: Research Marketing Group.

leading to the greatest amount of consumption on the last drinking occasion' King et al found that 40% reported parental supply and 38% reported older friends or siblings.

It is important to highlight differences in the laws in each state. Some state and territory laws specify whether parental supply in a licensed premise is legal, in other jurisdictions this remains unspecified. In relation to supply of alcohol in a private residence, only New South Wales and Queensland specify that an adult must be acting in loco parentis for the minor concerned, or be the parent of the minor concerned, in order to supply them with alcohol.

Senator Asked:

Q4 What measures is the Government taking to counteract and address the problem of secondary supply to minors?

Answer:

The Department of Health and Ageing is the lead agency in a Ministerial Council of Drug Strategy (MCDS) funded project covering the secondary supply of alcohol. This project will report on how secondary supply of alcohol legislation varies across jurisdictions with regard to the issues surrounding parents supplying alcohol to their teenagers and will provide an evidence base which can be used for a legal and health resource on alcohol for parents of teenagers. This work will provide a set of underlying principles which can be used to develop nationally consistent legislation.

In line with the decision of the Council of Australian Governments (COAG) in March 2008, the Commonwealth is working closely with States and Territories through the MCDS to investigate the secondary supply of alcohol to teenagers, responsible service of alcohol, operating hours for licensed venues, and the alcohol content of ready-to-drink alcoholic beverages. The MCDS will report back to COAG in 2009.



Senator Asked:

Q5 How much is the government's investment in preventative health?

Answer:

The Government has committed \$872.1 million over six years to the COAG National Partnership Agreement on Preventive Health. Through the Partnership, interventions will be implemented in settings such as pre-schools, schools, workplaces and communities to help individuals modify their lifestyles in order to reduce the risk of chronic disease.

In addition to the funding provided under the new National Partnership Agreement, the Government has invested nearly \$285 million in a broad range of preventive health initiatives in areas such as bowel cancer screening, binge drinking and public awareness campaigns.

These investments build on the \$1 billion the Commonwealth has been allocating each year to preventive health.