The effect of red tape on the sale, supply and taxation of alcohol Submission 2



Curtin University Health Research Campus GPO Box U1987 PERTH WA 6845 Tel: +61 8 9266 9079

24 January 2017

Red Tape Committee
Department of the Senate
PO Box 6100
Canberra ACT 2600

By email:

redtape.sen@aph.gov.au

Senate inquiry into the effect of red tape on the sale, supply and taxation of alcohol

The McCusker Centre for Action on Alcohol and Youth welcomes the opportunity to contribute to the *Inquiry into the effect of red tape on the sale, supply and taxation of alcohol.*

The McCusker Centre is an independent organisation committed to reducing harms from alcohol among young people. Our work is directed towards raising awareness of the magnitude of alcohol-related harms among young people, evidence-based approaches we know can work to reduce harms, other options and the need to act without delay.

The McCusker Centre has participated in a number of other state and federal inquiries and reviews which are relevant to the focus of the current inquiry. We wish to draw the Committee's attention to these submissions and matters raised within them (available from www.mcaay.org.au). We will not repeat the detail of the submissions here; this brief letter is intended to outline key messages only. Further detail is provided in the attached submissions:

- A series of submissions to the National Competition Policy Review, which outline clear
 justification for regulating alcohol, that alcohol is not an ordinary product, and the
 importance of harm minimisation as an objective of liquor licensing legislation in Australia.
- A submission from the National Alliance for Action on Alcohol, the Public Health Association
 of Australia and the McCusker Centre to the Re:think Tax Discussion Paper, outlining the
 level of harm as a result of alcohol and the consensus that exists among leading Australian
 and international health authorities that alcohol taxation is one of the most effective policy
 interventions to reduce the level of alcohol consumption and harms.
- Submission to the review of WA's Liquor Control Act 1988, which provides detailed evidence
 of the need to regulate alcohol through liquor licensing processes.
- Submissions to the Australian National Preventive Health Agency about exploring the public interest case for a minimum (floor) price of alcohol, which provide strong evidence for implementing a minimum price of alcohol in Australia.



The effect of red tape on the sale, supply and taxation of alcohol Submission 2

Alcohol should not be treated as an ordinary commodity due to its potential to cause a wide range of health and social harms. This position is supported by, among many others, Professor Sir Ian Gilmore, Chair of the UK Alcohol Health Alliance and former President of the Royal College of Physicians of London:

"We have to accept...that 'alcohol is not an ordinary commodity'. If it is left to personal choice as an entirely libertarian issue, we will run into problems. It is a drug. It is a drug of dependence. It is a psychoactive drug. It happens to be legal. We do not want to make it illegal, but it does require different handling from soap powder and other things that may be dealt with otherwise by the free market."

[From the Report of the Independent Review Committee regarding the WA *Liquor Control Act 1988*, December 2013, page 7]

Alcohol is a substance that causes substantial harms which are associated with significant costs to governments and the community. Alcohol harms are also of significant concern to the community; 92% of Australian adults are concerned about alcohol use among young people and 97% are concerned about alcohol-related violence. The extent of harm associated with alcohol to the drinker and those around them provides an urgent and compelling case for policy action by governments. The health system and law enforcement burdens caused by alcohol are far too great to leave to individual responsibility.

Governments have important roles and duty of care in preventing harm from alcohol, including regulating how alcohol is made available, taxed and promoted, and through public education about the risks associated with alcohol. The environment in which individuals operate, the prevailing drinking culture and the way alcohol is made available need to support low risk alcohol use. Measures to appropriately regulate the sale, supply and taxation of alcohol and to prevent alcohol-related harm should not be dismissed as 'red tape' or a regulatory burden.

Alcohol is now more affordable than it has been in decades, and is more available and heavily promoted than it ever has been. There is substantial evidence that deregulation of alcohol correlates with an increase in alcohol-related harm.^{2,3} We appreciate that the Committee will receive a range of views through this consultation process. In considering the submissions, we urge the Committee to consider the significant impact of alcohol harms on the community and on government resources directed towards ambulances, emergency departments, hospitals, policing, the justice system and treatment services.

Yours sincerely,

Ms Julia Stafford

EXECUTIVE OFFICER, McCusker Centre for Action on Alcohol and Youth

¹ Independent research commissioned by the McCusker Centre for Action on Alcohol and Youth; July 2015. Available from: www.mcaay.org.au.

² National Preventative Health Strategy. Australia: The healthiest country by 2020 – the roadmap for action. 2009; Commonwealth of Australia.

³ Wilkinson C, Livingston M, Room R. Impacts of changes to trading hours of liquor licenses on alcohol-related harm: a systematic review 2005-2015. Public Health Research and Practice. 2016. 26(4): e2641644.