# **Submission to Senate Committee - Inquiry Into Tobacco Advertising Prohibition**

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# **Scope of submission**

This submission addresses issues covered by the following document:

The exposure draft of the Tobacco Advertising Prohibition (Film, Internet and Misleading Promotion) Amendment Bill 2004:

<u>Schedule 1, Section 7</u> (section 13 of the Act, specifically, relating to the placement of tobacco advertisements in television programs) and,

Schedule 1, Section 9 (section 22A of the Act, specifically relating to expenditure by the Commonwealth for the purpose of promotional activity which is also supported by a manufacturer of tobacco products.)

The submission also makes reference to matters covered in:

General business notice of motion, no. 794, HEALTH –TOBACCO ADVERTISING – AUSTRALIAN GRAND PRIX, passed by the Senate on 9 March 2004, regarding proposals to:

- bring forward the removal of tobacco advertising exemption from October 2006 to January 2005,
- progressively tighten tobacco advertising conditions until the removal of the exemption,
- ban incidental advertising of tobacco products outside the confines of the Grand Prix event from 2005.

Save Albert Park commends the proposed legislation to curb tobacco advertising and makes additional proposals with specific reference to the Australian Formula One Grand Prix, viz:

- the legislation to incorporate the provisions of the WHO *Framework Convention on Tobacco Control* (2003), specifically with regard to 'cross-border' TV advertising, on which the Formula One organization intends to rely to overcome national tobacco advertising bans,
- legislation to prohibit the Federal Government from supporting the tobaccosponsored Grand Prix event by providing fly-over displays.

#### 1. Introduction

The Federal and Victorian governments have strong anti-smoking policies in place, and support specific programs and TV ads (eg the current 'every cigarette causes damage' series), and show particular concern regarding tobacco promotion to young people.

In total contradiction to its avowed anti-smoking stance, the Victorian government promotes the Australian Formula One and motorcycle grands prix and signs long-term contracts under which cigarette advertising at these events in mandatory. These events are designed to maximise the impact of advertising in television broadcasts to an audience that vastly outnumbers spectators at the circuit.

## 2. Identification of smoking with Formula One car-racing

Promotion of the Formula One Grand Prix (which is by far the most prominent of the two events) focuses on glamour, excitement, fast cars and danger, celebrities, money, a glittering

social scene, and success and beauty, all of which is designed to appeal to young people. (Examples of such promotion are attached to this submission.)\* The event and its promoted image are closely identified with smoking by the multiplicity of cigarette logos placed on the uniforms of drivers and pit crews, the racing cars, and on hoardings around the circuit. The Albert Park circuit, complete with its tobacco advertising hoardings, is open to the public for several days prior to the event. Grand Prix merchandise, for example, jackets and backpacks, also features tobacco logos.

The Formula One event is promoted as a family event and schools are encouraged to bring groups of students. The following schools were known to have brought classes of 14-15 year-olds to the 2004 race:

St Francis Xavier College
Doveton Secondary College
Tallangatta " "
Mill Park " "
Luther College
St Monica's College
Ringwood Secondary College
Western Heights " "

The students were in groups of about 30 and were met at the gate by drivers or team crews, in uniform, for photo shots.

The tobacco industry is apparently well satisfied with the effectiveness of this advertising in gaining new customers, as its sponsorship of the Formula One world racing series is reported to be approximately \$A500 million a year. This indicates that the Australian Grand Prix provides about \$A20 million worth of advertising opportunities for the tobacco industry.

The tobacco industry receives the pay-off for its sponsorship by incidental advertising in the print media (which has its own vested interest in the event, viz., advertising revenue and printing contracts) and particularly in the TV broadcasts which reach far greater numbers of people than the 100,000 or so individual patrons who attend the circuit. The Australian Grand Prix Corporation claims a worldwide audience of 350 million for its Melbourne race.

## 3. State Government imprimatur

As the promoter of the Formula One Grand Prix, the Victorian Government spent \$73 million to establish the circuit, and continues to underwrite the operating losses, now running at \$10-15 million each year. In addition, the government provides Albert Park Reserve, a major Melbourne inner city park, as the venue, for a 'peppercorn rental', to its agency the Australian Grand Prix Corporation. The AGPC requires 4-5 months to set up and take down the race infrastructure and to repair damage, causing major disruption to amateur sports clubs and loss of amenity to ordinary park users.

The priority accorded to the event provides Formula One and its major sponsor, the tobacco industry, with a State Government imprimatur, and turns a blind eye on the obvious double standard on the health and ethical issues.

Save Albert Park maintains that it is morally wrong to use a public park, set aside for healthy recreation, to promote cigarettes. Parks Victoria's own slogan 'Healthy parks, healthy people' stands in stark contrast to the way the park is managed for one third of the year.

## 4. Federal government imprimatur

The Federal Government provides its own imprimatur by sending an air force aerobatics team and a supersonic strike aircraft (at a cost of hundreds of thousand of dollars each year)

to promote the event with spectacular high-speed overflights. This sends a message of approval that is far stronger than anti-smoking TV ads and warnings on cigarette packets.

## 5. Tobacco advertising policy in other countries

Other countries have recognized tobacco advertising as a major health issue and have already banned it at all sporting events, including Formula One races (Canada and Austria) or will soon ban it (European Union, from July 2005). The Federal Government has undertaken to ban it from October 2006, but this decision could be reversed if, as seems likely, no alternative sponsors can be found for the Melbourne race.

The 2004 Montreal Grand Prix was in doubt when the Canadian government stuck to its antismoking laws and refused an exemption. The race was only rescued after the Quebec provincial government and a brewery agreed to fund the lost \$A18 million tobacco money. It seems likely that the Victorian Government would not extend its already heavy loss on the race to meet such a shortfall, but would seek a postponement of the Federal Government's 2006 deadline on granting exemptions.

The Federal Government has already shown its willingness to assist the tobacco industry in seeking to postpone advertising bans. In February 2003, the World Health Organization reported that the then health minister, Kay Patterson, had written to the European health ministers urging them to restore the EU ban to October 2006, instead of the new agreed date, July 2005, so as to bring the EU into line with Australia.

#### 6. WHO convention on tobacco control

It is also noted that the Federal Government has not ratified 2003 World Health Organization's *Framework Convention on Tobacco Control*. Under this convention, as well as restricting tobacco advertising and sponsorship, introducing indoor clean air rules and stamping out tobacco smuggling, countries agree not to permit cross border advertising of tobacco, eg by not exporting or importing TV broadcasts or print media. Forty-six countries have signed up to the convention, including Canada and New Zealand, but not Australia.

## 7. Cross-border advertising

Cross border advertising is of great relevance to Formula One race events. If Australia signed up to the WHO convention, it could not broadcast races to other countries or receive broadcasts of other races, if such events were tobacco sponsored.

The Formula One organization has reacted to the European Union's plan to ban tobacco advertising from July 2005 by threatening to move all its races out of Europe and into the Middle East and East Asia where there are no tobacco controls. It has already established circuits in Bahrain, China, Malaysia and Japan, and circuits in India, Turkey, Russia and South Korea are being considered. The Formula One organization is hoping that TV broadcasts from these countries will make national anti-tobacco advertising laws unworkable, as revealed in the following report on a statement by Max Mosley, president of motor sport's world governing body, the FIA:

'Mosley said the EU ban was a waste of time, because tobacco advertising would be beamed into Europe on television from the races where tobacco advertising is allowed.' (BBC SPORT website, February 14, 2003)

If Australia has an honest health policy it will not become part of this scheme.

## **Conclusion and recommendations**

The World Health Organization stated in 2003:

'Tobacco use is the leading cause of preventable death in the world today. With 4.9 million tobacco-related deaths per year, no other consumer product is as dangerous or kills as many people as tobacco. A cigarette is the only legally available product that, in normal use, kills the user.'

While campaigning against tobacco use, per se, is not part of Save Albert Park's function, the group recognizes the serious ethical issues in the WHO statement, and maintains that it is morally wrong to use a public park to promote cigarettes.

Save Albert Park commends the proposed legislation to curb tobacco advertising, and makes the following additional proposals:

- 1. Bring forward the date of removal of exemptions from tobacco advertising from October 2006 to January 2005, as proposed in the general business notice of motion no. 794, 9 March 2004, or to 1 July, 2005, in line with the European Union ban.
- 2. Incorporate the provisions of the WHO Framework Convention on Tobacco Control as necessary, to bring Australian legislation into line with the spirit and provisions of the WHO convention, in particular regarding the banning of cross-border advertising by means of TV broadcasts of tobacco-sponsored Formula One races.
- 3. Prohibit the Federal Government from providing miliary aircraft to help promote the tobacco-sponsored Formula One Grand Prix event. Attempts to justify the practice as an air force recruiting measure should be dismissed as irrelevant to the serious health issues involved.

# \*Items supporting this submission forwarded by surface mail:

- hard copy of submission,
- examples of 'incidental' tobacco advertising in the Melbourne press relating to the 2004 Australian Formula One Grand Prix,
- reports on the BBC SPORT website regarding Formula One's dependence on tobacco advertising and its reaction to national bans,
- photographs of Grand Prix merchandise showing cigarette logos.