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22 February 2013

Executive Officer  
Liquor Act Review Committee  
By Email: [LiqActReview@rgl.wa.gov.au](mailto:LiqActReview@rgl.wa.gov.au)

Attention: The Executive Officer

The Brewers Association of Australia and New Zealand (Brewers Association) is pleased to provide a response to the Department of Racing, Gaming and Liquor of the Government of Western Australia Review of the Liquor Control Act 1988.

We support the need for wide stakeholder consultation and an objective consideration of evidence-based research.

The Brewers Association recommends that any review to the Liquor Control Act 1988 take into consideration both the social and economic significance of Australian brewers.

Australian members of the Brewers Association comprise Carlton & United Breweries, Coopers and Lion Co that produced and distribute 95% of beer consumed in Australia.

The Brewers Association has sought to address a number of issues raised in the terms of reference to the Review.

***Balancing the requirements of consumers for liquor and related services with minimising harm or ill-health caused to people or any group of people, due to the use of liquor***

When government is seeking to reduce alcohol misuse it should be cognisant that population wide alcohol policies that seek to reduce total consumption in Australia will not reduce misuse, but rather simply impact the majority of consumers who are already drinking in moderation.

Targeted interventions, education programs and cultural change are the key to reducing the irresponsible and harmful consumption of alcohol.

Alcohol policy should be based on establishing a drinking culture that maximises enjoyment and benefits of moderate consumption while tackling the harms caused by alcohol abuse.

The Brewers Association believes that government involvement in relation to alcohol policy should be focused on reducing harmful consumption rather than consumption of alcohol of itself. The focus should be on changing the behaviour of those who misuse alcohol.

Alcohol policy should be based on establishing a drinking culture that maximises enjoyment and benefits of moderate consumption while tackling the harms caused by alcohol abuse.

There is a growing body of evidence that targeted interventions that focus on patterns of drinking rather than total consumption are a better means of addressing harmful consumption.

*“One of the major conceptual shifts that has occurred in the alcohol field over the past decade has been the recognition (albeit reluctantly in some quarters) of the limitations and inaccuracies inherent within a single-distribution theory of alcohol consumption and all that such a position implies. While it played a valuable part in terms of heightening the profile of prevention issues and fuelling the debate about them, it nonetheless has done prevention a disservice through the long and protracted effort required to shift the focus of attention away from mean per-capita consumption to address more meaningful questions on patterns of consumption, such as occasions of drinking, frequency of episodes of intoxication, drinking setting and other associated factors”<sup>1</sup>*

Targeted intervention, including a combination of education, strong enforcement of existing laws and laws to reinforce the social norm of responsible and moderate consumption is far more effective in resolving alcohol misuse without impacting on the majority that consume alcohol in moderation.

***The interests and needs of people selling or supplying liquor, the tourism industry and other hospitality industries in this state (including producers)***

Australian brewers, licensed premises and alcohol retail outlets are all interdependent on one another for industry sustainability.

The Australian beer industry continues to maintain its strong cultural, historical and economic ties to Australian society with 93% of beer consumed in Australia, brewed in Australia.

Australian brewers contributed around \$4.3 billion to the Australian economy in 2010-11 including \$1.96 billion in excise tax. An estimated 4345 people are employed in the industry throughout the country.

Employment has increased by around 20% over the past 5 years. Over the same period, it was estimated that Australian brewers indirectly contributed an extra \$1.9 billion to total economic activity through Australian intermediaries.

The beer industry is a significant contributor to agriculture, tourism, hospitality, manufacturing and logistics. Employment of many hops and grain growers, transport operators and hotel staff is dependent on the viability of the brewing industry.

Category-based alcohol excise rates for draught beer acknowledge the difficulties faced in the hospitality industry. A concession on the rate of excise applied to each litre of alcohol in a keg, compared to bottles and cans, allows for hotels and clubs to achieve profits without setting prices that would otherwise strip demand.

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<sup>1</sup> [REDACTED] Drinking Patterns and their Consequences.” 1998

### ***The advertising and marketing of liquor products***

The Brewers Association recognises that responsible advertising often requires measures beyond legal compliance.

Our Australian members are signatories to the Alcohol Beverages Advertising Code (ABAC) Scheme. This code prohibits the inclusion of themes in advertising that may be interpreted by the consumer as a promotion of irresponsible behaviour, whether it is excessive consumption, underage consumption or driving under the influence.

Some views are held which suggest that a ban on the advertising and promotion of alcohol will lead to a reduction in both alcohol misuse and underage drinking. This view presumes there is a direct causal relationship between drinking alcohol and promotion. To date, research findings are inconsistent but, in general, have found either no or minimal effects.

In a mature and diversified market, such as that of beer and alcohol in general, promotion is crucial to encourage competition between brands. Producers of alcohol are solely interested in targeting segments of the market that are lawfully able to purchase alcohol. This approach is consistent with individual efforts to promote brand differentiation and increase market share of their respective category.

Sponsorship is an important avenue for both brand promotion and differentiation. Like other forms of promotion, there is no firm evidence that suggests a ban on sports sponsorship would lead to a reduction in alcohol misuse or underage consumption. The significant expenditure on sponsorship, as highlighted by alarmist critics, is necessary for brand competition. As a matter of fact, the market share of beer and alcohol consumption in general, continues to decline despite increasing costs of sports and event sponsorship.

The Brewers Association is in the process of submitting a report to the Australian National Preventive Health Agency on alcohol advertising. Our response to the ANPHA Issues paper will be provided to you as an attachment to this submission by 1 March 2013.

### ***Alcohol consumption in Australia***

The consumption of beer has been in decline over recent years. Nevertheless, overall, alcohol consumption figures remain steady with an overall reduction of approximately 20% from the peak per capita consumption rates recorded in the 1970s.

Roy Morgan Research Report on Alcohol Consumption has found Australians aged 18-24 years who drink alcohol in an average four weeks has progressively decreased each year for the last five years. In addition, it was found that the total volume of alcohol consumed by 18-24 year olds in an average seven days has decreased by 11% in five years.

In consideration of young Australians, recent statistics collated by the Victorian Cancer Council on behalf of the Commonwealth Department of Health and Ageing found the proportion of students who reported current use of alcohol had significantly decreased among students aged 12 to 17 years.

The proportion of younger students 12 to 15 years old who reported drinking alcohol immediately prior to the interview had decreased from 22% in 2005 down to 17% in 2008 and 11% in 2011. Similarly older students, 16 to 17 years old, who reported current use of alcohol decreased from 47% in 2005 to 38% in 2008 and 33% in 2011.<sup>2</sup>

The Brewers Association is open to providing further information on request.

Yours faithfully



Clause 3(1)

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<sup>2</sup> Tobacco, alcohol, over-the-counter and illicit substance use among Australian secondary school students 2011, Australian Government Department of Health and Ageing (2012)