



POLICY POSITION:

ONLINE SALES AND DELIVERY OF ALCOHOL

The sale and supply of alcohol is regulated in every jurisdiction in Australia because of the risks of consuming alcoholic products. Alcohol causes more than 200 health conditions¹ and is a group one carcinogen.² It is one of the leading contributors to death and disability across the country, responsible for almost 6000 deaths and 144,000 hospitalisations each year.³ Alcohol is also implicated in a wide range of harm to others, from drink-driving accidents through to domestic violence, assaults, and child neglect.

Liquor regulators have a responsibility to regulate the sale and supply of liquor in their jurisdiction in a way that minimises harm to the community. Yet market disruption in the expanding online space has outstripped regulatory responses. There are virtually no restrictions on how late, how rapidly or how much alcohol can be delivered to premises.

Young people are exposed to a substantial amount of alcohol advertising, including ads for online sales and delivery of alcohol, and there are no effective mechanisms in place to stop underage and intoxicated people purchasing and receiving alcohol through these services. Some of these businesses are even operating without a liquor licence.

Evidence shows that with greater availability of alcohol comes greater harm.⁴ These new business models are transforming the availability of alcohol, and bring new risks that require an urgent regulatory response. There are increased risks of harm to the individual and others around them if this format is not properly regulated, including to:

- children under 18
- intoxicated people
- people at risk of suicide
- people at risk of experiencing domestic violence
- children living in a household where family violence is present
- people who are dependent on alcohol or at risk of developing dependency.

In light of these risks, regulation should be strong, proactive and focus on harm minimisation. Due to the emerging nature of the market, it is essential to have proactive monitoring, enforcement and evaluation.

PURPOSE

This policy position sets out the principles and rationale for taking regulatory action, and specific recommendations to reduce the risks posed by online sales and delivery of alcohol.

PRINCIPLES AND RECOMMENDATIONS

Principle 1: Online sales and delivery of alcohol must be regulated. Compliance must be monitored and enforced by governments.

The sale and supply of alcohol on licensed premises is regulated by governments. It would be irresponsible and illogical of governments to rely on self-regulation by the alcohol industry in the case of online sales and delivery. There is no evidence that this method of sale and supply is any less risky. Indeed, there is evidence of substantial risk, as outlined in this document.

The alcohol industry has a vested interest in selling alcohol to make a profit. The alcohol industry engages in the same tactics as the tobacco industry to prevent or delay government regulation and undermine good public policy.⁵ Self-regulation is an industry strategy to put in place minimal controls and prevent government regulation. It is not a legitimate route to harm minimisation.

RECOMMENDATIONS:

1. Governments must regulate online sales and delivery of alcohol.
2. Any business selling or supplying alcohol must have a liquor licence.
3. To recognise the distinct risk profile of online sales and delivery of alcohol, a specific licence or licence condition should be required.
4. Businesses' compliance with regulation should be regularly monitored by state and territory liquor regulators, including through the use of Controlled Purchase Operations.
5. There must be clear and consistently-applied penalties for non-compliance, including financial penalties.
6. Liquor regulators should require businesses to submit sales data and any other information necessary to gain a clear understanding of the risks and trends of these business models.

Principle 2: Businesses should not be able to sell or supply alcohol to a person via online sales and delivery who they would be prohibited from selling or supplying to in person.

This includes:

- children under the age of 18
- intoxicated adults
- any individual prohibited by statutory regulation, such as those listed on a Banned Drinker Register.



The law recognises that certain groups of people are at heightened risk of alcohol harm and that it is inappropriate for businesses to sell alcohol to these groups. To maintain regulatory coherence and ensure the system is not undermined, these fundamental rules must apply regardless of the method of sale or delivery.

Evidence shows that there is inadequate age-gating in online sales and delivery of alcohol, both at point of sale and point of collection, which is putting children at risk.

- A 2019 audit of NSW licensees offering online sales and delivery of alcohol found that 60 per cent of websites did not require date of birth at point of sale.⁶
- A 2019 research study of the ways people use online sales and delivery services to purchase alcohol, found that more than one-third of respondents aged 25 years and under did not have their ID checked when receiving their last order.⁷

RECOMMENDATIONS:

7. Children under 18 must be prevented from making online alcohol purchases. Age must be verified at point of purchase.
8. To prevent secondary supply from a sober person to an intoxicated person, alcohol must only be delivered to, or collected by, the person who ordered it.
9. Photo ID must be required at the point of delivery or collection of alcohol products.
10. There should be no unattended delivery of alcohol at any time.
11. All delivery agents, including third party agents, must be trained in an accredited Responsible Service of Alcohol (RSA) program suitable for the delivery environment.
12. Businesses must keep a register of all alcohol deliveries, including the name of the individual deliverer. Entries in the register must be kept for at least three years and be submitted at regular intervals to state and territory liquor regulators.

Principle 3: There should be adequate delay between purchase and delivery of alcohol to prevent enabling the continuation of an existing alcohol session.

The rapid delivery business model enables impulsive purchases and continuation of an existing alcohol session when the alcohol supply has been exhausted. Australian research shows that 28 per cent of people who received a rapid alcohol delivery (within two hours) would have otherwise had to stop drinking alcohol, and that 69 per cent drank at a risky level on the occasion of receiving a rapid delivery. Twenty-two per cent of people who received a rapid delivery said part of the reason for using the service was because they were over the blood alcohol limit to drive. The research also shows that people who recently received a rapid alcohol delivery were more likely to drink alcohol at risky levels in general, compared to people who recently received a non-rapid alcohol delivery.⁸

The more intoxicated a person is, the more likely they are to harm themselves or others. Alcohol intoxication fuels death⁹, suicide¹⁰, disease¹¹, injury¹², violence¹³, domestic violence¹⁴, mental illness¹⁵, road accidents¹⁶, child neglect and abuse¹⁷. Therefore, it is in the best interests of the individual user and people in their environment if the supply of alcohol can be disrupted, rather than perpetuated.

RECOMMENDATION:

13. There should be a delay of at least two hours between purchase and delivery of alcohol products.

Principle 4: Alcohol should not be delivered late at night.

Time is an important factor affecting levels of alcohol harm. Alcohol-related assaults increase substantially between 6pm and 3am (peaking between midnight and 3am), with 37 per cent of alcohol-related assaults occurring in the home, and more than half (57 per cent) of those being domestic violence.¹⁸ Acute alcohol consumption increases the risk of attempted suicide¹⁹, and at a population level greater levels of consumption are associated with increased suicide risk.²⁰ In Australia, suicides and sudden or unnatural deaths involving alcohol predominantly happen at night, in the home environment.²¹

RECOMMENDATION:

14. There should be no delivery of alcohol between 10pm and 10am.

Principle 5: Children under 18 should not be exposed to advertisements for online sales and delivery of alcohol.

Evidence shows that adolescents' exposure to alcohol marketing increases their alcohol consumption and increases their likelihood of commencing drinking at an earlier age.²² Drinking alcohol from a young age can damage the developing brain.²³ Alcohol is an addictive psychoactive drug that diminishes responsible decision-making, leading to greater likelihood of risky behaviours, thereby magnifying the vulnerabilities of children. Alcohol contributes to the three leading causes of death among adolescents: unintentional injuries, homicide and suicide.²⁴

Businesses, including those selling alcohol online, should take all available steps to prevent their alcohol advertisements being seen by children, and governments should ensure a regulatory framework that protects children from alcohol advertising.

RECOMMENDATION:

15. Alcohol advertisements, including ads for online sales and delivery of alcohol, should be restricted to viewing by those over 18 years of age.

Principle 6: Businesses should not act upon data that reveals vulnerabilities, such as alcohol dependency, and should not collect or use children's data under any circumstance.

There is evidence that some population groups are especially vulnerable to the effects of alcohol and alcohol advertising.^{25,26} Targeted marketing using social media or email enables alcohol companies to reach individuals through their personal devices at locations and times when they are likely to be susceptible to the suggestion of an alcohol delivery. This marketing is based on users' personal data, including previous purchasing habits. This puts vulnerable people at heightened risk, such as dependent drinkers, those living with dependent drinkers, and those experiencing mental ill-health. People's vulnerabilities should not be exploited to sell alcohol. Consumers should have knowledge of and control over their data, including the ability to delete data. Consumers should also be able to self-exclude from marketing and online sales.

RECOMMENDATIONS:

16. Alcohol companies and other data collectors should not be able to act upon data (whether consciously or through an algorithm) that reveals vulnerabilities in order to target marketing or offers.
17. Alcohol companies and other data collectors must not collect, use or disclose children's data for online profiling or targeted marketing.
18. Consumers must be able to choose (and update) their communication preferences, including the option to self-exclude. The default option should be no marketing.
19. The consumer must receive a succinct, clear and easy-to-understand notice from the business when their personal information is collected that sets out how their data will be collected, used or disclosed, including for online profiling and targeted marketing.
20. The consumer must be given the ability to permanently delete data held about them by the business.

Principle 7: People should not be able to purchase alcohol using 'buy now pay later' services.

The practice of paying a purchase off in instalments over time subverts established pricing mechanisms designed to minimise harm to public health from alcohol, by enticing the consumer with a much lower upfront price. There is a substantial risk that this will simultaneously increase alcohol and credit dependency.

RECOMMENDATION:

21. Businesses offering alcohol for sale and/or delivery must not offer the use of 'buy now pay later' services for alcohol purchases, including After-pay and Zip-pay.

GENERAL

These principles and recommendations are designed to be a comprehensive framework to reduce risks generated by online sales and delivery of alcohol. They are designed to complement each other and will not be as effective if implemented in isolation.

It is proposed that business-to-business sales and delivery would be exempt from these measures. They should apply to any method of ordering remotely, for example by telephone, as well as online, and to any address, for example a workplace as well as a home. Delivery should only be to residential and commercial addresses and not to a public place.

Regulators may need to consider unique aspects of their local environment, taking into account existing licence arrangements and business models operating in their jurisdiction.



REFERENCES

- 1 World Health Organization. (2018). Global status report on alcohol and health 2018. Geneva: WHO. Retrieved 01/11/2019 from: https://www.who.int/substance_abuse/publications/global_alcohol_report/en/.
- 2 World Health Organization. International Agency for Research on Cancer. IARC Monographs on the Identification of Carcinogenic Hazards to Humans. Retrieved 21/08/2019 from: <https://monographs.iarc.fr/agents-classified-by-the-iarc/>; <https://monographs.iarc.fr/wp-content/uploads/2018/09/ClassificationsAlphaOrder.pdf>.
- 3 Lensvelt, E., Gilmore, W., Liang, W., Sherk, A. and Chikritzhs, T. (2018). Estimated alcohol-attributable deaths and hospitalisations in Australia 2004 to 2015. National Alcohol Indicators, Bulletin 16. Perth: National Drug Research Institute, Curtin University. Retrieved 14/12/2018 from: <http://ndri.curtin.edu.au/NDRI/media/documents/naip/naip016.pdf>.
- 4 Jochelson, R. (1997). Crime and place: An analysis of assaults and robberies in Inner Sydney. Sydney: New South Wales Bureau of Crime Statistics and Research; Briscoe, S. & Donnelly, N. (2001). Temporal and regional aspects of alcohol-related violence and disorder. Alcohol Studies Bulletin. National Drug Research Institute and NSW Bureau of Crime Statistics and Research; Livingston, M. (2011). A longitudinal analysis of alcohol outlet density and domestic violence. *Addiction* 106: 919–25; Chikritzhs, T. & Stockwell, T. (2006). The impact of later trading hours for hotels on levels of impaired driver road crashes and driver breath alcohol levels. *Addiction*, 101(9):1254-64; Laslett, A.M., Mugavin, J., Jiang, H., Manton, E., Callinan, S., MacLean, S. & Room, R. (2015) The hidden harm: Alcohol's impact on children and families. Canberra: Foundation for Alcohol Research and Education; Stockwell, T. & Chikritzhs, T. (2009). Do relaxed trading hours for bars and clubs mean more relaxed drinking? A review of international research on the impacts of changes to permitted hours of drinking. *Crime Prevention and Community Safety*. 2009,11, 153-170; Hobday, M., Chikritzhs, T., Liang, W. & Meulners, L. (2015). The effect of alcohol outlets, sales and trading hours on alcohol-related injuries presenting at emergency departments in Perth, Australia, from 2002 to 2010. *Addiction*, 110, 1901-1909.
- 5 Moodie, R., Stuckler, D., Monteiro, C., Sheron, N., Neal, B., Thamarangsi, T., Lincoln, P., Casswell, S. (2013). Profits and pandemics: prevention of harmful effects of tobacco, alcohol, and ultra-processed food and drink industries. *The Lancet* 381(9867), 670-679. doi.org/10.1016/S0140-6736(12)62089-3.
- 6 NSW Government. Northern Sydney Local Health District (2019). Online Liquor Gets Audited (OLGA). Retrieved 18/09/2019 from: <https://www.nslhd.health.nsw.gov.au/HealthInformation/HealthPromotion/Pages/Projects/Alcohol/OLGA/OLGA.aspx>.
- 7 Mojica-Perez, Y., Callinan, S. & Livingston, M. (2019). Alcohol home delivery services: An investigation of use and risk. Centre for Alcohol Policy and Research, La Trobe University.
- 8 Mojica-Perez, Y., Callinan, S. & Livingston, M. (2019). Alcohol home delivery services: An investigation of use and risk. Centre for Alcohol Policy and Research, La Trobe University.
- 9 Lensvelt, E., Gilmore, W., Liang, W., Sherk, A. and Chikritzhs, T. (2018). Estimated alcohol-attributable deaths and hospitalisations in Australia 2004 to 2015. National Alcohol Indicators, Bulletin 16. Perth: National Drug Research Institute, Curtin University. Retrieved 14/12/2018 from: <http://ndri.curtin.edu.au/NDRI/media/documents/naip/naip016.pdf>; Australian Institute of Health and Welfare (2018). Impact of alcohol and illicit drug use on the burden of disease and injury in Australia: Australian Burden of Disease Study 2011. Australian Burden of Disease Study series no. 17. Cat. no. BOD 19. Canberra: AIHW. Retrieved 09/04/2019 from: <https://www.aihw.gov.au/getmedia/34569d3a-e8f6-4c20-aa6d-e1554401ff24/aihw-bod-19.pdf.aspx?inline=true>.
- 10 Borges, G., Bagge, C.L., Cherpitel, C.J., Conner, K.R., Orozco, R. & Rossow, I. (2017). A meta-analysis of acute use of alcohol and the risk of suicide attempt. *Psychological Medicine* 47, 949-957; Nortsrom, T. & Rossow, I. (2016). Alcohol consumption as a risk factor for suicidal behaviour: a systematic review of associations at the individual and population level. *Archives of Suicide Research* 20(4), 489-506.
- 11 Lensvelt, E., Gilmore, W., Liang, W., Sherk, A. and Chikritzhs, T. (2018). Estimated alcohol-attributable deaths and hospitalisations in Australia 2004 to 2015. National Alcohol Indicators, Bulletin 16. Perth: National Drug Research Institute, Curtin University. Retrieved 14/12/2018 from: <http://ndri.curtin.edu.au/NDRI/media/documents/naip/naip016.pdf>; Australian Institute of Health and Welfare (2018). Impact of alcohol and illicit drug use on the burden of disease and injury in Australia: Australian Burden of Disease Study 2011. Australian Burden of Disease Study series no. 17. Cat. no. BOD 19. Canberra: AIHW. Retrieved 09/04/2019 from: <https://www.aihw.gov.au/getmedia/34569d3a-e8f6-4c20-aa6d-e1554401ff24/aihw-bod-19.pdf.aspx?inline=true>.
- 12 Lensvelt, E., Gilmore, W., Liang, W., Sherk, A. and Chikritzhs, T. (2018). Estimated alcohol-attributable deaths and hospitalisations in Australia 2004 to 2015. National Alcohol Indicators, Bulletin 16. Perth: National Drug Research Institute, Curtin University. Retrieved 14/12/2018 from: <http://ndri.curtin.edu.au/NDRI/media/documents/naip/naip016.pdf>; Hobday, M., Chikritzhs, T., Liang, W. & Meulners, L. (2015). The effect of alcohol outlets, sales and trading hours on alcohol-related injuries presenting at emergency departments in Perth, Australia, from 2002 to 2010. *Addiction*, 110, 1901-1909; Australian Institute of Health and Welfare (2018). Impact of alcohol and illicit drug use on the burden of disease and injury in Australia: Australian Burden of Disease Study 2011. Australian Burden of Disease Study series no. 17. Cat. no. BOD 19. Canberra: AIHW. Retrieved 09/04/2019 from: <https://www.aihw.gov.au/getmedia/34569d3a-e8f6-4c20-aa6d-e1554401ff24/aihw-bod-19.pdf.aspx?inline=true>.
- 13 Briscoe, S. & Donnelly, N. (2001). Temporal and regional aspects of alcohol-related violence and disorder. Alcohol Studies Bulletin. National Drug Research Institute and NSW Bureau of Crime Statistics and Research.



- 14 Livingston, M. (2011). A longitudinal analysis of alcohol outlet density and domestic violence. *Addiction* 106(5), 919-925.
- 15 Teesson, M., Hall, W., Slade, T., Mills, K., Grove, R., Mewton, L., Baillie, A. & Haber, P. (2010). Prevalence and correlates of DSM-IV alcohol abuse and dependence in Australia: findings of the 2007 National Survey of Mental Health and Wellbeing. *Addiction* 105(12), 2085-2094; Prior, K., Mills, K., Ross, J., & Teesson, M. (2017). Substance use disorders comorbid with mood and anxiety disorders in the Australian general population. *Drug and Alcohol Review* 36, 317-324; Tiet, Q.Q., Mabusach, B., (2007). Treatments for patients with dual diagnosis: a review. *Alcoholism Clinical Experimental Research* 31, 513-536; Bruce, S.E., Yonkers, K.A., Otto, M.W., Eisen, J.L., Weisberg, R.B., Pagano, M., Shea, M.T., Keller, M.B., (2005). Influence of psychiatric comorbidity on recovery and recurrence in generalized anxiety disorder, social phobia, and panic disorder: a 12-year prospective study. *American Journal of Psychiatry* 162, 1179-1187.
- 16 Chikritzhs, T. & Stockwell, T. (2006). The impact of later trading hours for hotels on levels of impaired driver road crashes and driver breath alcohol levels. *Addiction*, 101(9):1254-64.
- 17 Laslett, A.M., Mugavin, J., Jiang, H., Manton, E., Callinan, S., MacLean, S. & Room, R. (2015) *The hidden harm: Alcohol's impact on children and families*. Canberra: Foundation for Alcohol Research and Education.
- 18 Briscoe, S. & Donnelly, N. (2001). Temporal and regional aspects of alcohol-related violence and disorder. *Alcohol Studies Bulletin*. National Drug Research Institute and NSW Bureau of Crime Statistics and Research.
- 19 Borges, G., Bagge, C.L., Cherpitel, C.J., Conner, K.R., Orozco, R. & Rossow, I. (2017). A meta-analysis of acute use of alcohol and the risk of suicide attempt. *Psychological Medicine* 47, 949-957.
- 20 Nortsrom, T. & Rossow, I. (2016). Alcohol consumption as a risk factor for suicidal behaviour: a systematic review of associations at the individual and population level. *Archives of Suicide Research* 20(4), 489-506.
- 21 Darke, S., Dufloy, J. , & Torok, M. (2009). Toxicology and circumstances of completed suicide by means other than overdose. *Journal of Forensic Science* 54(2), 490-494; Darke, S., Dufloy, J., Torok, M. & Prolov, T. (2013). Characteristics, circumstances and toxicology of sudden or unnatural deaths involving very high-range alcohol concentrations. *Addiction* 108, 1411-1417.
- 22 Alcohol-related incidents were substantially more common between 6pm and 6am. Darke, S. et al (2009).
- 23 Anderson P., De Buijn A., Angus K., Gordon R., & Hastings G. (2009). Impact of alcohol advertising and media exposure on adolescent alcohol use: A systematic review of longitudinal studies. *Alcohol and Alcoholism* 44(3), 229-243.
- 24 National Health and Medical Research Council (2009). *Australian guidelines to reduce health risks from drinking alcohol*. Commonwealth of Australia. Page 58.
- 25 National Health and Medical Research Council (2009). *Australian guidelines to reduce health risks from drinking alcohol*. Commonwealth of Australia. Page 58.
- 26 Babor, T., Robaina, K., Noel, J.K. & Ritson, E.B. (2016). Vulnerability to alcohol-related problems: a policy brief with implications for the regulation of alcohol marketing. *Addiction* 112(51), 94-101. doi: 10.1111/add.13626.
- 27 Jernigan D., Noel J., Landon J., Thornton N. & Lobstein T. (2017). Alcohol marketing and youth alcohol consumption: a systematic review of longitudinal studies published since 2008. *Addiction* 112(Suppl 1):7-20.

