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Submission by Bauer Media to the Ministerial Forum on Alcohol Advertising and Sponsorship

1. Introduction

1.1 Bauer Media is New Zealand's leading magazine publisher. It publishes more than twenty-five magazines over a wide range of categories. Bauer accepts advertisements from most industries, including alcohol manufacturers. Bauer abides by the Advertising Standards Authority's Codes including the ASA Code for Advertising and Promoting Liquor. Bauer is a member of the Magazine Publishers' Association.

1.2 Bauer has reviewed Chapter 19: "*Alcohol, sponsorship and promotion of alcohol*" of the Law Commission Report "Alcohol in Our Lives: Curbing the Harm" (**Report**), including, where possible, reviewing research and submissions cited. Bauer notes that the Law Commission Issues Paper (**Issues Paper**) and the subsequent Report have been pivotal documents in the formulation of new legislation in this area and accordingly has spent considerable time assessing the validity of the arguments included in these documents.

1.3 Bauer's submission (the **Submission**) covers:

- The Law Commission's finding and recommendations (**Recommendations**), and the merits of its arguments and supporting research;
- Statistics and research not referred to in the Law Commission documents;
- Bauer's view on the current regulatory regime, and on appropriate regulation of alcohol advertising and sponsorship;
- The applicability of the New Zealand Bill of Rights Act 1990 (**NZBORA**) to the Recommendations, and whether any further restrictions to alcohol advertising are consistent with the BORA.

1.4 Bauer has sought to provide robust, objective arguments to address the purpose of the Forum's establishment – that is, to assess whether further restrictions to alcohol



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promotion and advertising, over and above those already included in the 2012 Act and in existing ASA Codes, are needed to reduce alcohol-related harm.

1.5 Bauer notes particularly the functions of the Forum:

- consider evidence on the impact of alcohol advertising and sponsorship from affected stakeholders and experts in public health and alcohol advertising and sponsorship;
- determine whether additional restrictions to advertising and/or sponsorship are needed and will significantly reduce alcohol-related harm;
- if changes are recommended, produce advice on appropriate alcohol advertising and sponsorship practices that are consistent with the object of the Act;
- direct the work of the secretariat having regard to the duties of the secretariat as outlined below; and
- report to the Ministers of Justice and Health by 1 October 2014. This will allow time for the Forum's recommendations to be reported through to the Cabinet Social Policy Committee by December 2014.

1.6 Bauer has directed its Submission towards bullet points one and two.

2. The Law Commission's finding and recommendations

2.1 Although in the 2009 "*Alcohol in our Lives*" Issues Paper, the Commission took the view that existing self-regulation was generally sufficient, this position was reversed in the subsequent Law Commission Report. The prevailing theme of the Law Commission's chapter on alcohol advertising was that New Zealand "progressively more liberal" alcohol advertising regime over the past thirty years¹ had resulted in *increased alcohol consumption by young people*². It concluded that "*having heard the views of submitters and consulters, we have come to the view that greater controls are needed on advertising, sponsorship and other promotion of alcohol.*"³

¹ 19.2, Law Commission Report *Alcohol in Our Lives: Curbing the Harm*, Chapter 19: *Advertising, sponsorship and promotion of alcohol*

² 19.123, *ibid*

³ *ibid*

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2.2 In our view, the Commission's basis for reversing the original position on alcohol advertising regulation, as set out in the 2009 Issues Paper, was based on questionable research, and the Commission's resulting conclusions were not sound. The reasons for this view will be set out in greater detail below. We were particularly concerned that that Commission's position had been unduly influenced by a vocal minority of vested interests, wielding studies and research of questionable relevance to the reduction of alcohol-related harm.

2.3 The Commission noted that many submissions called for greater control on alcohol advertising, noting that of the 2,281 submissions, 86% supported banning or restricting all alcohol advertising in all media.⁴ This 86% statistic is not persuasive - in fact it proves nothing. 86% of a very small number is an even smaller number. Flipping the numbers quoted on their head, the low level of submissions relative to the New Zealand population, or even relative to the number of New Zealanders of age to purchase alcohol, suggests that the current regime is working well and most do not feel compelled to agitate for its change.

2.5 Many of the submissions cited within the Report refer to alcohol advertising as a negative in and of itself, and did not draw any link between such advertising and alcohol-related harm. Alcohol-related harm, and not alcohol in and of itself, is the issue the Forum is concerned with.

2.6 The Commission recognised⁵ that the research is mixed, and that indeed that some studies show no link between advertising and heightened consumption (and, presumably, harm, although again the key "harm" element was not mentioned by the Commission). However, no effort was made to discuss those studies at all. The Commission also noted that "*links between alcohol advertising and consumption are not easy to draw in a conclusive manner*" – but then proceeded to do just that. The studies showing no effect on consumption were not discussed or cited. (Interestingly, the studies show positive effects simply in relation to specific beverages, which confirm's Lion Nathan's position in its submission: that

⁴ 19.6 Ibid

⁵ 19.16, 19.17 Law Commission Report "Alcohol in Our Lives: Curbing the Harm", Chapter 19: *Advertising, sponsorship and promotion of alcohol*

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brand choice, not increased consumption, is the point of alcohol advertising). Conversely, studies which were claimed to demonstrate negative effects, were discussed by the Commission in great detail.

2.7 The Commission acknowledges a dearth of research around alcohol sponsorship, but then goes on to quote an article from "*The Essential Handbook for the Treatment and Prevention of Alcohol Problems*" – a United Kingdom publication where the author of the cited article is employed by the New Zealand Drug Foundation. On a closer read of much of the research relied upon by the Commission in the Report, it was concerning to see the extent to which such research was authored by experts with links to the anti-alcohol lobby in New Zealand. Cherry-picking of quotes and research presented as objective and impartial by the Law Commission was, in our view, misleading, and was not conducive to an informed and reasoned debate around alcohol advertising.

2.8 One example: the Commission noted that in 2008 alcohol spend was "about \$33 million"⁶. However, the Commission stated, this figure is "likely to be an underestimation" and that "research suggests" actual figure up to four times that amount⁷.

2.9 There was no credible basis for this statement. The study cited in support of this "four times" multiple referred only to alcohol advertising spend in the United Kingdom, and made no reference to alcohol advertising spend in New Zealand⁸. It is surprising and disappointing that the Law Commission has chosen to use this research in this inaccurate and misleading way. The article was included in a academic journal devoted to research around alcoholism, and might fairly be assumed to carry a bias against alcohol use. It has not been possible to cross-check every study referenced in the Report, but misleading use of studies does not engender confidence in the Commission's finding or recommendations.

2.10 In assessing whether a problem exists in New Zealand, at first we must define the shape and size of the industry. Many submissions referred to "aggressive alcohol spend" as a

⁶ 19.11, Ibid

⁷ 19.14

⁸ <http://alcalc.oxfordjournals.org/content/44/3/229.full.pdf>

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support for their arguments. It was concerning to see the Commission not only accepting these views, but defining the alcohol market as disproportionately larger than the reality, in the absence of any good evidence.

2.11 The Commission noted that “*amounts [of alcohol sponsorship spend] are difficult to quantify*”⁹ and used a number of figures to estimate the size of the alcohol market in New Zealand. The Commission use the Alcohol Action figure of \$200,000 **per day**, which equates to \$73 million a year. Neither the Commission nor Alcohol Action provided any basis for the calculation of this figure.

2.12 It is actually quite easy to attempt to quantify spend, if even a cursory effort is made to obtain reliable figures.

2.13 The Commission noted, almost in passing, that DB Breweries advised that it had committed \$100million in sponsorship over 10 years. As this is the only verifiable figure regarding alcohol sponsorship spending that has been provided, it seems reasonable to use this as a starting point for calculating annual alcohol sponsorship spend in New Zealand.

2.14 DB Breweries’ is one of the largest manufacturer of alcohol beverages in New Zealand, and its market share is 24%¹⁰. If DB’s annual sponsorship commitment is \$10 million (1/10 of \$100 million) then logically, if DB represents about a quarter of the total alcohol market, the annual value of the alcohol sponsorship market is likely to be no more than \$40million.

2.15 The annual rate-card value of total alcohol advertising in New Zealand for 2013 was \$56,048,893¹¹. The actual spend is likely to be a lot lower. Assuming a 30% discount off rate-card (a conservative estimate), this brings the actual spend closer to \$37 million – a figure much closer to that which the Commission claimed “likely to be an underestimation.”

⁹ 19.13 Law Commission Report Alcohol in Our Lives: Curbing the Harm, Chapter 19: *Advertising, sponsorship and promotion of alcohol*

¹⁰ Nielsen Advertising Information Services, Ratecard, January-December 2013

¹¹ Ibid

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2.16 The Commission also highlights the issue of alcohol sponsorship and sports¹², with the implication that alcohol sponsorship of sport is, of itself, negative or harmful.

2.17 In fact, harmful or irresponsible alcohol consumption, which might result in alcohol-related **harm** (the consideration of which is purpose of this Forum) is strongly condemned by all sporting groups. High profile sportspeople (for example Zac Guilford and Jesse Ryder) have visibly suffered the consequences of excessive alcohol consumption, with Guildford losing his NZRU contract and Ryder being dropped from Black Caps and missing out on a valuable IPL season as direct result of problematic drinking. Their behaviour is not the norm among professional sportspeople. With professional sport increasingly a profitable industry and a valid career aspiration for young New Zealanders, there is broad consensus that excessive or irresponsible consumption of alcohol is misguided, or is indicative of a deeper problem.

2.18 The Commission also noted that “*we are particularly concerned about the clearly established link demonstrated by recent research between advertising of alcohol and earlier onset of drinking*”¹³. We do not accept that such a link is clearly established, nor that a restriction of alcohol advertising would have an impact on the age of first drink. As discussed later in this Submission, in France alcohol advertising is severely restricted (and is in fact a model that the Commission wishes to emulate) and yet average age of first drink is 12.¹⁴

3. Self regulation

3.1 The Report was critical of the current self-regulatory regime. In our view this criticism was unfounded, and these criticisms are addressed below.

Effectiveness of the current regime

¹² 19.25 – 19.29 Law Commission Report Alcohol in Our Lives: Curbing the Harm, Chapter 19: *Advertising, sponsorship and promotion of alcohol*

¹³ 19.35 *Ibid*

¹⁴ <http://www.drugfree.org/join-together/alcohol/french-teen-drinking-raising-serious-concerns>

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3.2 The Commission noted: *“We heard from many members of the public who expressed concern about the effectiveness of the current system of self-regulation. We have concluded that the current self-regulatory system has specific problems, including the inability of current codes to affect content and exposure to advertising, and the lack of rigour in pre-vetting and complaints processes”*¹⁵.

3.2.1 We disagree with the view that the current system is unable to affect content and exposure to advertising, or that there is a lack of rigour in the pre-vetting and complaints process. Most of the public submissions were not in a position to offer any insight into how the pre-vetting process actually works among advertisers and media.

3.2.2 In instances where Bauer has been involved in the creative execution of an advertisement, the content is created with Code-compliance at front of mind. The advertisers are well aware of their obligations in this regard. The potential ramifications of an advertisement being found to be non-compliant (the cost of putting the advertisement together, of the space booked in the publication, of creating a new execution) is a responsibility that is taken seriously by all the parties involved.

3.2.3 It is not unusual for an advertisement to be checked by the advertiser, the advertising sales person responsible for the booking, the company legal counsel, and if necessary, the LAPS pre-vetting service.

3.2.4 The argument that ASA codes do not affect advertisement content, or are not approached with rigour by affected parties, could not genuinely be made by anyone with any knowledge of the practical working of advertising or media.

3.2.5 In support of the argument that Codes do not affect content, the Commission suggests that advertisements using humour – even humour targeted at adults – is a way in which advertisements “breach the intention of the codes.”¹⁶ The Commission uses the

¹⁵ 19.36 Ibid

¹⁶ 19.68 Law Commission Report Alcohol in Our Lives: Curbing the Harm, Chapter 19: *Advertising, sponsorship and promotion of alcohol*



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example of a Tui ad¹⁷, which, it notes disapprovingly, relies on “humour, irony and hyperbole”, which, it asserts, act as “effectives foil[s] to the industry codes.” Although the Commission agrees that liquor advertisements may be careful to ensure that all elements of the advertisements are Code-compliant, it complains that humorous elements of the advertisement may appeal to those beyond the target demographic, including those aged under 18. This reasoning takes purse-lipped Puritanism to another level. By this logic, perhaps the Commission would also like to consider the social evils associated with morris-dancing.

3.2.6 The problem with liquor advertisements showing adults drinking in a relaxed day-time environment, the Commission states, is that “*of course... in real life there are all too many examples of a day’s drinking involving antics such as those portrayed in the advertisement resulting in people having a long wait in an accident and emergency clinic or in a police cell.*” It is richly ironic that the Commission has criticised liquor advertisers for their use of hyperbole, given this highly exaggerated catastrophizing of the result of adults drinking alcohol during the day. The percentage of those who end up at an A & E clinic or in a police cell after drinking alcohol in the day-time is tiny, and is certainly not an inevitable or even a probable outcome of “day drinking”. Most will end up tucked up in bed. The Commission seems determined to assume that New Zealand adults are irresponsible and incapable of acting in their best interests, and that they must be protected from themselves at all costs.

Goals of the advertising industry and Government

3.3 The Commission maintains that the goals of the advertising industry and the Government are not the same, and notes that the objectives of the National Drug Policy are to “prevent or delay the uptake of tobacco, alcohol and other drugs”, and to “reduce harm”. It compared these stated goals with the Code for Advertising Liquor, administered with the ASA, which states the liquor advertising will be conducted “in a manner that *neither conflicts with or detracts from* the need for responsibility and moderation” (Law Commission emphasis added).

¹⁷ 19.78 Ibid



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3.3.1 The Commission states that, on this basis, the goals of alcohol advertising and the objectives of the Government are “clearly not aligned”, although it does not expand on the reasons for this view¹⁸. This statement is incorrect.

3.3.2 First, the Codes are extensive, and are underpinned by Guidelines and Principles that go beyond the fragment that the Commission has quoted. The Codes’ Guidelines and Principles are aligned with Government objectives. For reasons apparent only to itself, the Commission has elected to quote only Principle 1 of the ASA Code for Advertising Liquor, which fundamentally misrepresents the regulatory environment that alcohol advertisers operate under in New Zealand. For clarity, the Code also provides:

- **Principle 2:** *Liquor advertisements shall observe a high standard of social responsibility.*
- **Principle 3:**
 - *Liquor advertisements shall not depict or imply the consumption of liquor in potentially hazardous situations or include any unsafe practices.*
 - *Liquor advertisements shall not offer motor vehicles or boats as prizes*
- **Principle 4:**
 - *Liquor advertisements shall be directed to adult audiences. Liquor advertisements shall not be directed at minors nor have strong or evident appeal to minors in particular.*
 - *Liquor advertisements shall not be shown on television between 6.00 am and 8.30 pm. Liquor advertisements shall not use or refer to identifiable heroes or heroines of the young.*
 - *Broadcasters must take care to avoid the impression that liquor promotion is dominating the viewing or listening period when broadcasting liquor advertisements, including liquor sponsorship*

¹⁸ 19.56 Law Commission Report Alcohol in Our Lives: Curbing the Harm, Chapter 19: Advertising, sponsorship and promotion of alcohol

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advertisements and/or liquor sponsorship credits taking into account the context of the programme.

- **Principle 5:** *Sponsorship advertisements and sponsorship credits shall clearly and primarily promote the sponsored activity, team or individual. The sponsor, the sponsorship and items incidental to them, may be featured only in a subordinate manner.*
- **Principle 6:** *Liquor advertisements shall not by any means, directly or by innuendo, contain any misleading description, claim or comparison about the product advertised, or about any other product, or suggest some special quality which cannot be sustained.*

3.3.3 Each principle is underpinned by detailed guidelines. The Commission noted the ASA's position that decisions of the Advertising Standards Complaints Board are invariably complied with¹⁹.

3.3.4 It is worth noting that many submitters to the Commission appeared to conflate tobacco, which is inherently unsafe and unhealthy, and alcohol – which can (and generally is) enjoyed healthily and responsibly by New Zealanders. At 19.137 the Commission acknowledged that “unlike tobacco, it is possible to consume alcohol at low-risk levels.”

Public health representation

3.4 The Commission notes that, although public health and community interests are currently “well represented” on the Complaints Board, there is no requirement of such interests to be represented.

3.4.1 Community interest representatives were increased on the Complaints Board from four to five in 2006, and since that time the Board has always had a public health representative as one of the five. In addition to providing a public health perspective, they also provide expert assistance in dealing with the significant number of complaints about therapeutic advertisements.

¹⁹ 19.117



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- 3.4.2 The ASA considers that public health representatives add to the organisation's credibility, and the Commission's concern that such representation might be removed seems remote.

Effectiveness of ASA demonstrated by low level of complaints

3.5 In an argument against the effectiveness of the current regime, the Commission noted: *"Industry bodies often cite the low number of complaints to the Complaints Board as an indicator of the effectiveness of the Codes. However, a variety of factors may cause low number of complaints: a lack of knowledge of the complaints process; a lack of energy among the public; or even a lack of faith in the complaints system. In addition in a society saturated with advertising, offensive or inappropriate content becomes normalised and awareness of its impact is low."*

- 3.5.1 In putting forward these "factors" (which have no basis in research or fact), the Commission is putting the ASA in the invidious position of having to prove a negative. The low number of complaints is good evidence of the effectiveness of the Codes.
- 3.5.2 There is no basis for the Commission's assumptions about a "lack of knowledge" of the complaints system. Recent independent research carried out by UMR research show that 87% of people are aware that they can make a formal complaint about an advertisement. Complaints Board outcomes, particularly upheld complaints, are often reported in the mainstream media. Of the 20 alcohol related complaints accepted to be heard by the Board in 2012 (of 35 submitted), 10 were upheld. The high awareness level, coupled with the low level of complaints and a 50% strike rate, suggests that the Board is effective and even-handed in its decision making.
- 3.5.3 In addition, the Commission noted, *"in a society saturated with advertising, offensive or inappropriate content becomes normalised and awareness of its impact is low."* The fact that the Law Commission has chosen to cite this statement from anti-alcohol campaigners, adopting it as its own stance, is extremely worrying. It implies that alcohol advertising is offensive, and that the failure to complain is because the public is too foolish to realise that they should be offended. It is not the role of the Law Commission, or of anti-alcohol campaigners, to decide what content is normal and what is offensive. The arbiters of what is normal and what is offensive is the New Zealand public, who are quick to act, and vocal when advertising offends them, as evidenced by the Advertising Standards Authority annual reports, which

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show that provocative or genuinely offensive advertisements receive upwards of 50 individual complaints.

- 3.5.4 The more logical reason for alcohol advertisements not attracting more complaints is that New Zealanders do not find them offensive.

ASA timeframe insufficient

3.6 The Commission noted that "*Caswell and Maxwell (2005) argue that because most modern advertising uses "pulsing techniques" (short bursts of advertising in a specific market followed by no advertising) campaigns are likely to be over by the time a complaint has been upheld and an advertisement removed.*"²⁰ The Commission goes on to note that in 2008 the average time to process a complaint was 22 working days²¹.

3.6.1 The Commission does not appear to have sought any input from the advertising industry for this statement. Creative executions are expensive, and the removal of an advertisement from a campaign could cause a severe negative impact for the advertiser. The potential cost of creating a complaint advertisement is high and accordingly the incentive to create advertisements that are Code-compliant is a very strong one.

3.6.2 A review of recent alcohol advertising campaigns booked in Bauer Media titles revealed that no alcohol campaigns had a duration of shorter than one month. (This finding seems even more likely across other media – for example, television advertising campaigns are more costly and thus more likely to run for longer.) The average duration of a campaign was 3 months, with some campaigns running as long as a whole calendar year. The effect of a campaign, or of a creative execution forming part of that campaign, being removed as a result of an ASA complaint being upheld would be costly and damaging to the reputation of the manufacturer and the product. From the magazine industry's perspective, the argument that alcohol advertising campaigns

²⁰ 19.61 Law Commission Report Alcohol in Our Lives: Curbing the Harm, Chapter 19: *Advertising, sponsorship and promotion of alcohol*

²¹ 19.62 Ibid



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would not be captured by the ASA's processing time is without any credible basis. Advertisers and media are both extremely mindful of ensuring that advertisements are Code-compliant.

4. Need for Change?

4.1 The Commission concluded "*Having considered the recent research linking the advertising of alcohol and increased alcohol consumption by young people, and having heard the views of submitters and consulters, we have come to the view that greater controls are needed on advertising, sponsorship and other promotion of alcohol.*"²²

4.2 The Law Commission formed its view on the basis of the research and submissions set out in its Report. If, as is our view, its research and facts are wrong or inapplicable, so, it logically follows, are its conclusions and recommendations.

Commission's recommendations

4.3 The Commission noted that "*many submitters urged us to consider French Law which places comprehensive restrictions on the promotion of alcohol.*"²³ The Commission favoured a regulatory approach influenced by the *Loi Evin* French law. The prospect of restricted alcohol advertising based on the premise that a *Loi Evin*-influenced system will result in reduction of alcohol-related harm is mistaken. On 2005 figures, France is the fourth biggest consumer of alcohol in Europe²⁴. The average age of French first drink is 12,²⁵ compared to a 2003 figure for age of first drink in New Zealand of 13.6²⁶ Alcohol is blamed for one third of all road deaths²⁷ in

²² 19.123 Law Commission Report Alcohol in Our Lives: Curbing the Harm, Chapter 19: *Advertising, sponsorship and promotion of alcohol*

²³ 19.125 Ibid

²⁴ <http://www.theguardian.com/world/2011/jul/17/lyon-reduce-le-binge-drinking>

²⁵ <http://www.drugfree.org/join-together/alcohol/french-teen-drinking-raising-serious-concerns>

²⁶ <http://www.parliament.nz/resource/0000000350>

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France, a similar statistic to New Zealand. There is no evidential basis for implementing advertising restrictions influenced by the *Loi Evin* law.

4.4 The Commission notes²⁸ that *“It is our view that the evidence linking drinking and advertising and sponsorship is compelling, particularly with regard to young people.”* This view is not accepted, and we note that the Commission again fails to draw a compelling link between alcohol advertising and alcohol-related harm, which is the objective of the Forum.

4.5 We note that the Commission does at least acknowledge that “current evidence does not support a policy goal of total prohibition of advertising and sponsorship.”²⁹ We have not discussed the Commission’s recommendation in great length, as in our view the arguments that purport to support it are flawed.

Is there really a problem?

4.6 In the introduction to the Law Commission’s Chapter, the Commission noted that alcohol advertising has become progressively more liberal over the past 30 years. It has then sought to draw a link between a comparatively more liberal alcohol advertising regime and increased alcohol-related harm. In order to substantiate this thesis, it has cited a number of research papers and studies. Almost all of these papers have been authored or organised by members of anti-alcohol lobby groups. The Commission has not offered much in the way of objective, impartial research.

4.7 It is by no means clear that a more liberal advertising regime has contributed to increased alcohol-related harm in New Zealand. In fact, independent statistics show quite the opposite; alcohol-related hazards in recent years are sharply decreasing.

²⁷ http://www.who.int/substance_abuse/publications/en/france.pdf

²⁸ 19.136 Law Commission Report Alcohol in Our Lives: Curbing the Harm, Chapter 19: *Advertising, sponsorship and promotion of alcohol*

²⁹ 19.137 Ibid



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4.8 In 1985, there were 238 fatal car crashes in New Zealand where alcohol was a contributing factor, resulting in 274 deaths. In 2012, there were 82 alcohol-related fatal car crashes, relating in 102 deaths.³⁰ In terms of consumption, findings from the 2011/2012 Ministry of Health Survey show there is no youth drinking crisis:³¹

- The number of **non-drinkers** has increased since 2006/2007;
- Among adults, the proportion who consumed alcohol in the past year dropped from 84% to 80%;
- The largest drop in past-year drinking was among youth aged 15-17, whose rate fell from 75% in 2006/07 to 59% in 2011/12.
- Since 2006/07 the level of hazardous drinking among male past-year drinkers has fallen from 30% to 26%.
- Among female past-year drinkers, the level of hazardous drinking has not changed significantly between 2006/07 (13%) and 2011/12 (12%).
- Among all adults (not just past-year drinkers), the rate of hazardous drinking fell significantly since 2006/07 for men (from 26% to 22%) and for women (from 11% to 9%).
- Hazardous drinking has dropped for both 15 – 17 year olds, and 18 – 24 year olds.

4.9 New Zealanders have historically struggled with excessive alcohol consumption. We do not believe that this is as a result of alcohol advertising – rather a legacy of a less civilised drinking culture and a hangover from the days of the “six o’clock swill”. New Zealand society is continuing to mature, as are our drinking habits. There are many reasons for New Zealand’s emerging maturity around drinking and reduction of alcohol-related harm. Education programmes around hazardous alcohol-related behaviour (for example drink driving) have proven highly effective at changing social norms and behaviour.

4.10 In Bauer’s view, some level of regulation of alcohol advertising is appropriate. We are of the view that the current regime in place works well and protects those who require protecting

³⁰ p.61 <http://www.transport.govt.nz/assets/Uploads/Research/Documents/Motor-Vehicle-Crashes-2012/Motor-vehicle-crashes-in-New-Zealand-2012.pdf>

³¹ <http://www.health.govt.nz/system/files/documents/publications/12-findings-from-the-new-zealand-health-survey.pdf>

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while placing minimum restrictions on the right to freedom of expression as set out in the New Zealand Bill of Rights Act 1990.

New Zealand Bill of Rights Act 1990

4.11 The Commission notes that its proposed restrictions raise an issue of consistency with s14 of the New Zealand Bill of Rights Act 1990 (**NZBORA**). It notes (irrelevantly, in our view) that in some overseas jurisdiction, commercial speech as been afforded fewer protections than political speech or artistic expression³². This is not the case in New Zealand – commercial expression (such as alcohol advertising) is afforded the same protection to freedom of expression as any other form of communication. In our view, it is clear that the proposed restrictions on alcohol advertising represent a limit on freedom of expression as set out in the NZBORA.

4.12 The Commission maintains, on a *Noort* analysis³³, that such a limit is justified under s5 of the NZBORA because it (a) serves an important and significant objective (being, it appears the reduction of harm caused by high alcohol consumption resulting from exposure to alcohol advertising) and (b) because “*the evidence discussed in this chapter more than establishes a sufficient connection between exposure to alcohol advertising and levels and patterns of alcohol consumption, particularly among young people to satisfy the requirement of rationality.*”³⁴

4.12 In our view the proposed restriction does not represent a reasonable limit on freedom of expression, and the NZBORA analysis and resulting restriction proposed by the Commission must fail. The relationship between the proposed restriction and the desired outcome (that is, reduction of alcohol related harm) is tenuous at best. Moreover, the evidence discussed at Chapter 19, as evidenced by the analysis in this Submission, does not “establish a sufficient connection” between the proposed provision and the objective.

³² 19.184 Law Commission Report Alcohol in Our Lives: Curbing the Harm, Chapter 19: *Advertising, sponsorship and promotion of alcohol*

³³ *Ministry of Transport v Noort* [1992] 3 NZLR 260

³⁴ 19.190

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4.13 In fact, a close reading of the evidence relied upon by the Commission reveals it to be unreliable. Conversely, the evidence of decreasing alcohol-related harm in New Zealand – even in what the Commission calls a “progressively more liberal” advertising environment – suggest that the connection proposed by the Commission to justify a limit on New Zealanders’ right to freedom of expression is neither rational nor proportionate.

Genevieve O’Halloran
Senior Legal Counsel
Bauer Media

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28 April 2014

Ministerial Forum on Alcohol Advertising and Sponsorship

Background

Bowls New Zealand (Bowls NZ) is pleased to make the following submission to the Ministerial Forum on Alcohol Advertising and Sponsorship concerning whether further alcohol advertising and sponsorship restrictions are necessary in addition to Section 237 of the Sale and Supply of Alcohol Act 2012.

Submission

Bowls New Zealand's submission specifically relates to advertising and sponsorship in sport.

Bowls NZ encourages efforts to promote responsible drinking and those which tackle the issue of binge drinking, especially among young people in New Zealand, and supports the appropriate regulation of the sale, supply and consumption of alcohol.

Along with our all of partners; TOWER, Onu Sports, Heartland Bank and Millennium Hotels to name a few, Bowls NZ is committed to ensuring current advertising and sponsorship associated with our game adheres to the stringent laws already in place. Bowls NZ also understands that any sport requires a balanced sponsorship portfolio and should not be dominated by any one market sector such as alcohol brands or distributors.

Bowls NZ also works closely with the bowls regions, centres and Clubs and other stakeholders to identify ways in which bowls can play a role in educational and community initiatives to promote responsible drinking, whether this is on a national, local or community level. While the bowls community is traditionally an older demographic Bowls NZ is aware of the changes occurring within all sport. Those participating in bowls is now far wider in age and socio demographics than it once was and as a National Sporting Organisation we have a responsibility to everyone participating in the game to ensure responsible drinking guidelines are not only in place but closely adhered to.

Bowls NZ is also a Member of the Sporting Clubs Association of New Zealand (SCANZ) and is supportive of the Host Responsibility initiatives promoted by SCANZ which focus on a responsible approach to the sale and supply of alcohol.

In addressing question 2 of 'Questions to guide your submission', Bowls NZ does not support further restrictions on alcohol advertising or sponsorship (over and above

the measures currently undertaken) to reduce alcohol-related harm, particularly where changes could be detrimental to the viability of the wider bowls community, which includes 27 Provincial Centres and 564 community bowls clubs.

As with many other sports and events in New Zealand, sponsorship by alcohol brands provides valuable funding streams at all levels of the game, whether direct through the alcohol industry or local community bars, restaurants or clubs. This in turn allows those organisations to provide significant benefits back to the communities they are located in.

Bowls NZ also notes the finding of Sport New Zealand's 2010 study, 'Alcohol and Sport' which says *'hard evidence is limited and insufficient to describe the full extent and nature of the problem in sport in New Zealand. Research to date does not provide evidence that sports have more of a problem with the misuse of alcohol than New Zealand society in general. Feedback from this study suggests that what happens in sport, particularly in relation to harmful alcohol behaviours, is a reflection of what is happening in New Zealand society and reflects trends in how New Zealanders are drinking generally'*.

National and international events

New Zealand must remain competitive and attractive as a host destination to international sporting events. The appropriate and responsible use of alcohol sponsorship and advertising is essential to New Zealand's ability to stage domestic or international bowls events by providing a valuable revenue source to offset the costs of hosting international events. The World Bowls Championships being held in Christchurch in 2016 is a prime example of this.

Bowls NZ recognises New Zealanders have always enjoyed a drink when watching or attending bowls and many other sports. Providing a safe and responsible environment for alcohol consumption is a priority and we work closely with our partners to provide a wider degree of beverage and food choice, while also adhering to strict licensing laws. We have also worked closely with partners, including SCANZ, NZ Police and others to encourage good player and team cultures and responsible management of sports clubs and facilities. This is one of the key criteria in clubs completing our Partner Club checklists.

Community Bowls

From school children to superannuitants, bowls clubs fulfilling the needs of communities is a key priority within the Bowls NZ's Strategic Plan. In many New Zealand towns and cities, the bowls club is the social hub of the community, providing sport and socialisation for young and old. Commercially strong and community-centric clubs are fundamental to keeping the game and the local community connected and fulfilling the needs of those involved.

Bowls NZ would be gravely concerned should any proposed changes affect the viability of these clubs by stripping them of essential investment.

Opportunities for positive messaging

Sporting stars, including bowls personalities are important influencers, particularly to young people. It would be concerning if any additional restrictions to advertising and sponsorship removed the opportunity to engage sports people in promotions that encouraged a responsible approach to alcohol consumption. Our national team the “Blackjacks” has it written in to their own team values of Respect, Pride and Honesty that being a national representative means firstly being a good person, a top class role model and being the best you can be on and off the bowls green.

International experience

Bowls NZ is aware of a small number of international examples where advertising and sponsorship restrictions have been put in place in relation to alcohol in a sporting environment, however we have seen no evidence that such restrictions have had the desired effect of reducing problem drinking, but instead put significant costs onto the tax payer to replace the funding stream.

Conclusion

In conclusion, bowls provides significant benefits to New Zealand on an international and community level. Bowls NZ would be concerned about the impact on the future of our game should restrictions remove an important funding stream.

Sport New Zealand’s Alcohol and Sport study concludes that ‘based on the actions that responsible clubs and sports organisations are already taking, it is evident that sports and sports clubs are already part of the solution to managing harmful alcohol behaviours in New Zealand, and there is potential to strengthen this role in future’.

Rather than interventions which will disadvantage sport, Bowls New Zealand welcomes solutions that target and address the particular harms caused by alcohol in society. Bowls NZ remains committed to playing its part in initiatives that promote responsible drinking at bowls related venues and right across the community.

Yours sincerely,
Kerry Clark OBE

CEO
Bowls New Zealand

DRAFT



BREWERS
ASSOCIATION

Brewers Association of Australia & New Zealand Inc

Submission to the Ministerial Forum on Alcohol Advertising and Sponsorship

28 April 2014

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Executive Summary

The Brewers Association of Australia & New Zealand (the Brewers' Association) welcomes the opportunity to comment on whether further restrictions on alcohol advertising and sponsorship would reduce alcohol-related harm.

The Brewers Association acknowledges that clear and proportionate rules for appropriate advertising and sponsorship that meets society's expectations are needed. We believe that controls should be based on establishing a positive drinking culture that maximises the enjoyment and benefits of moderate consumption while tackling the harm caused by alcohol misuse. It should recognise that the policy focus for alcohol is moderation, and the vast majority of adult New Zealanders consume alcohol responsibly most of the time.

We contend that there is no compelling evidence to justify further restrictions on alcohol advertising and sponsorship. This is on the basis that:

- The balance of evidence does not support a direct causal relationship between alcohol advertising and sponsorship and drinking levels or harmful drinking patterns;
- Hazardous drinking rates are in decline: youth in New Zealand are drinking later, there are fewer drinkers, they are drinking less often, and binge drinking is in steep decline;
- Marketing is but one of many factors that influence consumer attitudes and drinking behaviors. Studies have shown that the principal influences on youth drinking are parents and peers;
- Alcohol advertising and sponsorship in New Zealand is already governed by a robust, co-regulated regime in line with international best practice;
- Removal of alcohol industry advertising and sponsorship would have not just economic and community consequences, but could also adversely affect the advertising and media industries, moderate consumers, price discounting, SMEs, innovation, tourism, and freedom of speech;
- Further restrictions could potentially be in breach of the New Zealand Bill of Rights Act 1990 and WTO and other international trade obligations;
- The advertising and promotion restrictions under the Sale and Supply of Alcohol Act 2012 must be given time to take effect;

In short, further restrictions or a complete ban, at this time would be disproportionate, scientifically unjustified and would have economic and cultural consequences. The Brewers Association would wish to speak to this submission should the opportunity arise.



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The Brewers Association of Australia and New Zealand

The Brewers Association of Australia and New Zealand represents major brewers with the core purpose to celebrate beer, its contribution to the economy and to social wellbeing through responsible consumption.

Our members (Lion Ltd, DB Breweries, Carlton United Breweries and Cooper's Brewery) produce approximately 95% of the beer brewed in the trans-Tasman market. We maintain representation in both capitals - Canberra and Wellington.

The Brewers Association is committed to the promotion of beer as an enjoyable and refreshing lower-alcohol alternative to other alcohol categories.

The brewing industry is a major contributor to the ongoing success of the New Zealand economy – the grain to glass value chain was worth \$2.2 billion in 2012. The brewing industry contributes over \$720 million to GDP. There are at least 75 commercial brewing operations throughout New Zealand employing over 1,800 people.

The Brewers Association encourages the moderate consumption of beer by informed adults. Many people enjoy drinking beer which can be part of a healthy lifestyle when consumed in moderation. The Association believes that where there are instances of misuse or underage consumption, targeted interventions and education are best placed to successfully reduce harm for specific at-risk groups.

Our core principles are:

- Drinking beer can add to an adult's enjoyment of life, and as a lower alcohol and natural product, can be part of a healthy lifestyle when enjoyed in moderation.
- Beer plays a positive role in our society and the economy due to its important role in the agricultural, brewing, tourism and hospitality sectors, as well as our culture and heritage.
- We encourage the moderate consumption of beer by informed adults.
- We support targeted efforts by industry, government and the community to reduce alcohol misuse.

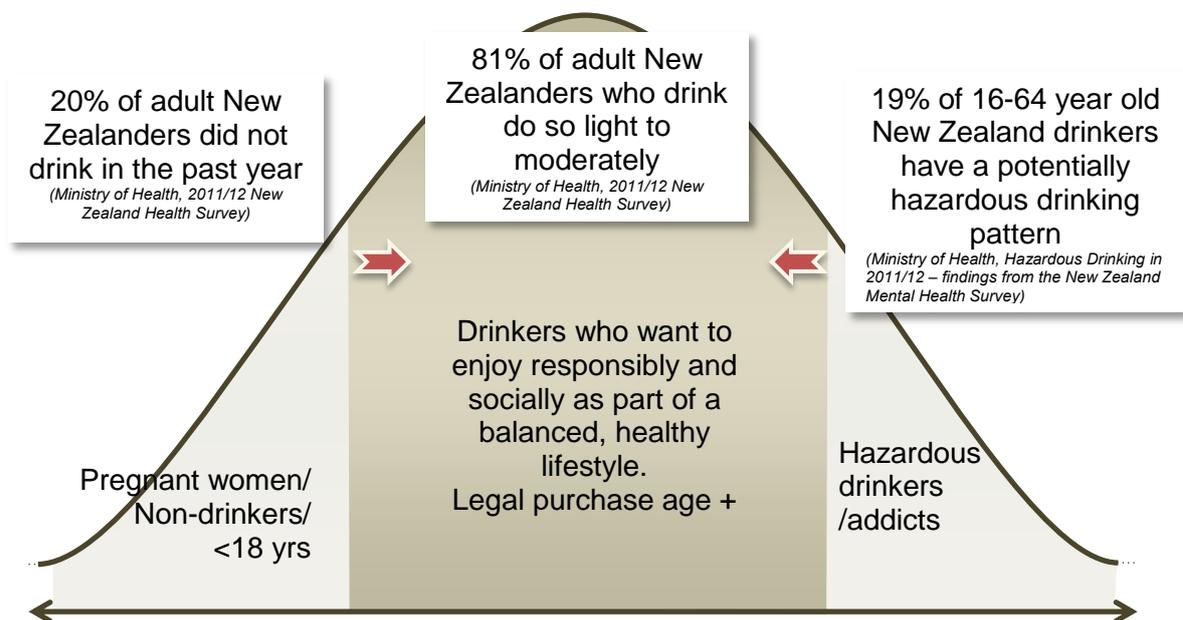
The Brewers Association is committed to the promotion of responsible consumption of alcohol. The Brewers Association, together with New Zealand Winegrowers and the Distilled Spirits Association of New Zealand, formed in 2012 'The Tomorrow Project'. *Cheers!* is a social change initiative under the Tomorrow Project to support New Zealanders to understand the drivers and effects of their drinking behaviour, and to make smarter choices to keep themselves, and the people around them, safe and sociable when they are drinking (www.cheers.org.nz).

Alcohol consumption in New Zealand in context

The majority of New Zealanders drink responsibly

1 Whilst we accept that alcohol is a drug, it is also important to recognise that it is a food, an agricultural product, and as such is also governed by the Food Code. It is also a product that the majority of New Zealanders enjoy sociably and in ways that do not contribute to harm.

2 Recent figures on alcohol consumption indicate there is no growing trend in alcohol misuse that suggests a crisis. 2013 statistics show that alcohol consumption in New Zealand was on average 9.5 litres per adult, the average across the OECD countries¹. According to the Ministry of Health 2011/12 New Zealand Health Survey, 81 percent of those that did drink did so light to moderately.



3 Most New Zealanders drink moderately most of the time. Caution must therefore be taken when painting alcohol misuse as a population-wide issue, and to only propose population-wide interventions. The harmful use of alcohol is a complex personal and societal issue that requires targeted coordinated measures and education from many stakeholders to effect behavioral change.

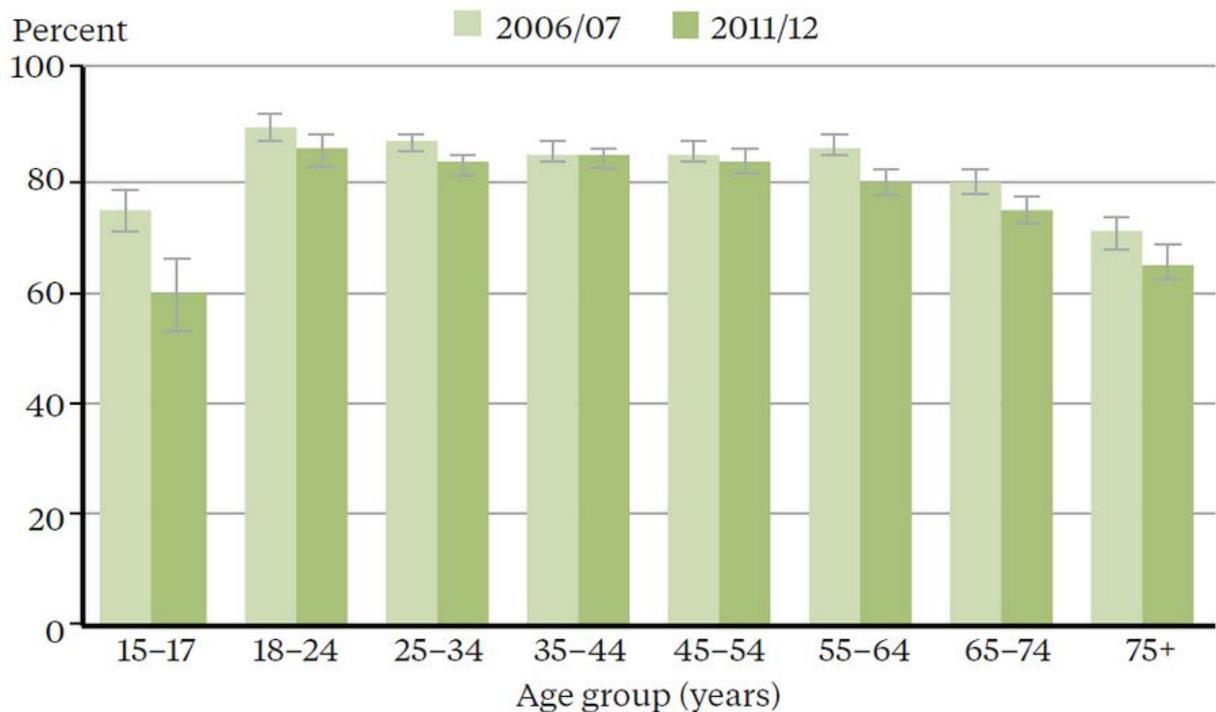
High-risk groups are drinking less

4 A particular focus for the Government is alcohol consumption particularly among young drinkers and heavy drinkers. The consumption of alcohol by underage drinkers is a major public health concern in New Zealand. However, the general impression of youth drinking, especially driven by the media, and what the statistics say tend to tell a different story.

¹ OECD Factbook 2013, *Alcohol Consumption*

5 In general, youth in New Zealand are drinking later, there are fewer drinkers, they are drinking less often, and binge drinking is in steep decline². Past-year drinking rates (consumption in the last 12 months) fell for both men (from 88% to 85%) and women (from 80% to 74%) between 2006/07 and 2011/12 and generally across all age groups. The largest drop in past-year drinking was among youth aged 15-17 years, whose rates fell from 75% in 2006/07 to 59% in 2011/12.³

Has Consumed Alcohol in the Past 12 Months, by age group, 2006/07 and 2011/12



Source: 2006/07 and 2011/12 New Zealand Health Surveys (15 years and over)

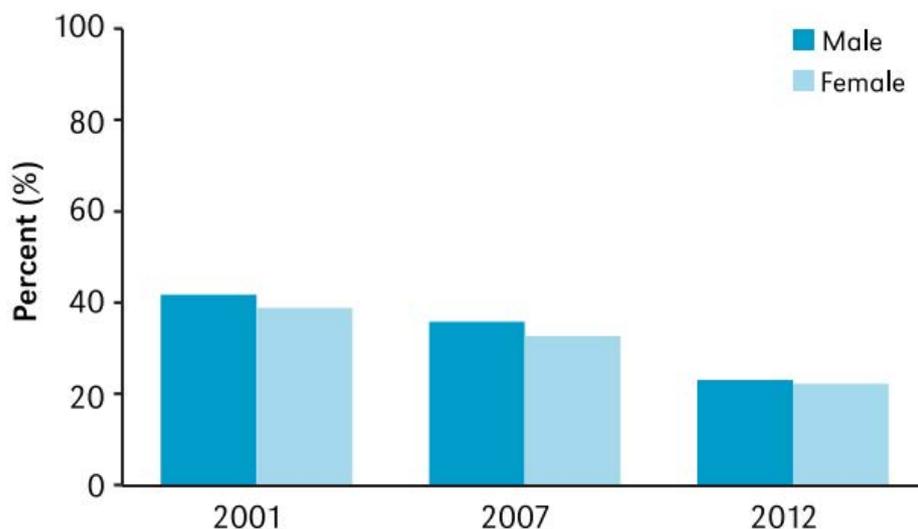
6 Binge drinking has followed a downward trend with 40% of students reporting binge drinking in the last four weeks in 2001, compared to 34% in 2007 and 23% in 2012.⁴

² ALAC Alcohol Monitor yearly results from 2003 to 2010, conducted by Research New Zealand, available at: <http://www.alcohol.org.nz/sites/default/files/research-publications/pdfs/2009-10-Annual-Summary-Report-FINAL.pdf>

³ Hazardous Drinking in 2011/12: Findings from the New Zealand Health Survey, Ministry of Health, New Zealand Government, <http://www.health.govt.nz/system/files/documents/publications/12-findings-from-the-new-zealand-health-survey.pdf>

⁴ Ibid

Binge Drinking by Students in the Last Four Weeks



Source: 2006/07 and 2011/12 New Zealand Health Surveys (15 years and over)

7 Similarly, the Ministry of Health’s Annual Update of Key Findings 2012/13 from the New Zealand Health Survey reports hazardous drinking rates among young people aged 15-24 stands at 25%, indicating a significant reduction from 35% in 2006/07.⁵

8 This is not just true for New Zealand but also internationally. In recent years, there has been a sharp decline in teenage drinking in many countries. In the United States, the prevalence of alcohol use among 8th graders (typically aged 13–14 years) has fallen from 54% in 1991 to 24% in 2012⁶. In England, the proportion of 10–15-year-olds who had consumed alcohol at least once has fallen from 61% in 2003 to 45% in 2010⁷, while adolescent drinking has also fallen sharply in Sweden, Finland, Iceland, Norway and Russia over the past decade⁸.

9 This positive downward trend is also replicated across the Tasman. Among the Australian youth, a higher proportion of 12-17 years old abstained from alcohol (61.6%) than those who had consumed any within the last 12 months (38.4%). On the basis of these survey findings, a trend analysis on Australian adolescents in April 2014 found that the rate of abstinence from alcohol among 14-17 year olds had risen significantly between 2001 and 2010. The research concludes that a broad change in drinking behaviour has occurred among Australian adolescents aged 14-17 in the

⁵ New Zealand Health Survey: Annual Update of Key Findings 2012/13, Ministry of Health, New Zealand Government, <http://www.health.govt.nz/system/files/documents/publications/new-zealand-health-survey-annual-update-2012-13-dec13.pdf>

⁶ Johnston L., O’Malley P., Bachman J. G., Schulenberg J. (2013), *Monitoring the Future—National survey results on drug use, 1975–2012*: volume 1. Secondary school students. Ann Arbor: Institute for Social Research, University of Michigan.

⁷ Health and Social Care Information Centre. *Statistics on Alcohol: England, 2012*. London: Office of National Statistics; 2012.

⁸ Hibell B., Guttormsson U., Ahlström S., Balakireva O., Bjarnasson T., Kokkevi A. *et al. The 2011 ESPAD Report: Substance Use among Students in 36 European Countries*. Stockholm, Sweden: The Swedish Council for Information on Alcohol and Other Drugs (CAN); 2012.

last decade with increases in abstinence occurring consistently across a wide range of population subgroups defined by demographic, socio-economic and regional factors.⁹

A policy of moderation not prohibition

10 The policy incentive for alcohol is moderation, not cessation as it is for tobacco, illegal and other drugs¹⁰. Therefore, any proposal to adopt a tobacco model for alcohol advertising and sponsorship would be inappropriate and unwarranted. The Law Commission Report acknowledged that “*unlike tobacco, it is possible to consume alcohol at low-risk levels*” and that “*current evidence does not support a policy goal of total prohibition of advertising and sponsorship*”¹¹.

11 It is widely accepted that patterns of heavy alcohol consumption are associated with many adverse effects and negative consequences. However, to view *all* alcohol consumption through the lens of the hazardous drinker is not only inaccurate, but it is misleading. There are many positive health, social, economic and cultural aspects to alcohol and to overlook those is just as damaging as to overlook the harm that can be caused by alcohol’s misuse. There is a wealth of scientific evidence demonstrating that the moderate consumption of alcohol may afford many potential health benefits. The evidence suggests that for many people it is more beneficial to drink moderately than to abstain.¹² The focus of any proposed policy intervention must be on the effects in reducing *harmful* use of alcohol, not total alcohol consumption.

12 Much of the evidence presented in favour of a ban on alcohol advertising or sponsorship uses the baseline of total consumption, and not harmful consumption. We contend this leads to an erroneous understanding of policy efficacy. Total alcohol consumption per capita can give useful evidence of long-term trends, but it does not identify sub-populations at risk from harmful drinking patterns. For example, an adult male’s total alcohol consumption for a week could be 8 standard drinks. If he were to drink those 8 standard drinks over seven days with one on a Monday, one on a Wednesday, three on a Friday and three on a Saturday, that is a moderate, non-harmful way to drink (all other things being equal). However, if that man were to drink all 8 standard drinks on Friday night that would be a harmful consumption episode. The behaviour any policy, including further restrictions on advertising, should be targeting is the latter rather than the former consumption pattern.

⁹ Livingston, M (2014), ‘Trends in non-drinking among Australian adolescents’, *Addiction*, Society for the Study of Addiction, Early View: <http://onlinelibrary.wiley.com/doi/10.1111/add.12524/abstract>

¹⁰ Health Promotion Agency Annual Report (2013), page 7

¹¹ ‘*Alcohol in our lives: curbing the harm*’ A Report on the Review of the Regulatory Framework for the Sale and Supply of Liquor, Law Commission, April 2010, para 19.137, page 350

¹² The burden of death, disease and disability due to alcohol in New Zealand, ALAC Occasional Publication No. 23 February 2005; R Doll, R Peto, E Hall, K Wheatley, R Gray, Mortality in Relation to Consumption of Alcohol: 13 Years’ Observations on Male British Doctors *BMJ* 1994;309:911-918 <http://www.bmj.com/cgi/content/abstract/309/6959/911> ; Leon A Simons, John McCallum, Yechiel Friedlander, Michael Ortiz and Judith Simons Moderate Alcohol Intake is Associated with Survival in the Elderly: the Dubbo Study *MJA* 2000; 173: 121-124

Alcohol Advertising and Sponsorship in Context

The alcohol industry does not have marketing freedom

13 We consider it is important to keep in mind that the alcohol industry does not currently have marketing freedom. In New Zealand, as in most countries around the world, alcohol advertising and sponsorship is subject to some degree of government oversight and regulation. Producers of beverage alcohol also have their own internal codes around marketing both in the form of company-level efforts, and across the sector. Industry self-regulation in New Zealand is set within a broader framework of government regulation, especially now with the introduction of offences under the SSAA 2012, which has led to an environment of co-regulation.

14 There are a number of codes and laws that govern how, when and what can be advertised and sponsored by alcoholic beverages. Alcohol is in fact one of the most heavily controlled products when it comes to advertising and promotion. Government regulation and industry self-regulation are not mutually exclusive but intended to work in tandem. Some of the rules that set the environment under which alcohol advertising and sponsorship sits are as follows:

- The **Sale and Supply of Alcohol Act 2012** section 237 now makes irresponsible promotion of alcohol an offence;
- The **Advertising Standards Authority's Code for Advertising and Promotion of Alcohol 2013**;
- **Advertising Pre-Vetting Systems – LAPS**: the Association of New Zealand Advertisers (ANZA) voluntary system of pre-vetting all liquor advertisements (LAPS).
- **Broadcasting Standards Authority Codes of Practice**: Free-to-Air Television (Standard 11); Radio (Principle 8); Pay television (Standard P10);
- **Guidelines for liquor advertising in sports programmes** by ThinkTV (TVNZ and Mediaworks) which assist in the interpretation of Standard 11 Liquor Promotion in the BSA Free-to-Air Television Programme Code.
- **Fair Trading Act 1986**: protects consumers by prohibiting misleading or deceptive conduct in trade, including advertising and promotions

15 The ASA Code is extensive and covers not just advertising but also naming, labelling, promotion, and sponsorship. The submissions from the Advertising Standards Authority (ASA) and the Association of New Zealand Advertisers (ANZA) have set out the exact parameters of the operations of the ASA Codes in full. Rather than repeat the information, we draw the Panel's attention to some parts of the ASA and BSA Codes to highlight the existing restrictions around the advertising and sponsorship of alcohol that are often not commonly recognised. They also highlight the fact that the Codes are designed to ensure marketing activity does not contribute to misuse or underage drinking.

- The industry does not draw up its own guidelines. The alcohol Code is determined by an independent committee including Ministry of Health and Health Promotion Agency nominees in accordance with procedures agreed with Government in 1993.
- The Codes establish an adult audience threshold:

- Alcohol advertisements cannot be shown on television between 6am and 8:30pm (the watershed hours). Television advertising for alcohol brands cannot exceed 6 minutes per hour and there are to be no more than 2 advertisements for alcohol in a single commercial break.
 - Alcohol producers, distributors or retailers are not to engage in sponsorship where those under 18 years of age are likely to comprise more than 25% of the participants, or spectators.
 - Alcohol branded merchandise, point of sale materials and other promotions must not be available in unrestricted areas at events or activities where more than 25 percent of the expected audience is minors.
- The ASA Code prohibits the targeting of those below the legal purchase age.
 - Advertising and promotions must be directed to adult audiences and not have strong or evident appeal to minors. This applies to placement as well as content.
 - The ASA Code covers social media.
 - The BSA free-to-air television code stipulates that sponsorship of a programme must be confined to the brand, name or logo and must not include a sponsor's sales message.

New Zealand's alcohol advertising co-regulation regime is robust and in line with international best practice

16 Again, the full detail of how the co-regulatory regime operates in New Zealand is clearly set out in the ASA and ANZA submissions, and we refer to those. We highlight some of the salient points:

- Since the passing of the SSAA2012 the regime for alcohol advertising and promotion is no longer a self-regulatory one, but a co-regulatory one. Given the SSAA only came into force in its entirety in November last year, we submit that consideration of further restrictions of alcohol advertising and sponsorship would be premature. The new regime needs to be given time to bed in, for the industry to adapt, for enforcement to proceed and precedents to be set.
- In 1993 the ASA made a formal agreement with Government that it should meet certain standards and also agreed to have its performance monitored by Government. The ASA alcohol advertising code has been independently reviewed three times in the last 16 years¹³. None of these reviews have identified major concerns with the media's handling of alcohol advertising and steady improvements have been made.
- The alcohol industry is not a member of the ASA.
- Complaints are made to the Advertising Standards Complaints Board (ASCB) which is independently funded and resourced by the ASA. Complaints about alcohol advertising

¹³ In 1998 chaired by Sir Ian Barker, in 2003 chaired by Sir Michael Hardie Boys, and most recently in 2011 chaired by Hon Sir Bruce Robertson.

makes up a very small proportion of advertising complaints: in 2013 where there were 792 complaints made about 598 different ads with 27 (4.5%) of these being alcohol ads. Of those 27 alcohol ads 15 met the grounds for complaint, and 6 were upheld (40%).

- It is generally very costly, in terms of time and money, for an alcohol advertisement or promotion to be conceived and executed, only to be pulled. The members of the Brewers Association make every effort to ensure their advertising and promotions meet all the ASA and BSA standards.
- The ASA and the advertising industry have proven to be adaptable and flexible to industry and public needs. In 2012 specific guidelines on social media were introduced. Additional guidelines were also developed to assist alcohol advertisers understand expectations around age-gating and moderation of user-generated content. The Association of New Zealand Advertisers (ANZA) has also recently introduced a policy whereby it will initiate complaints to the ASA Complaints Board where they believe there may be a breach of the Code.

17 Alcohol advertising and promotion standards are of course not just something with which New Zealand is concerned. At a global level the International Chamber of Commerce (ICC) is the global reference point for self-regulatory codes. It recently released the “Framework on Responsible Marketing Communications for Alcohol 2013”¹⁴. When measured against the global ten best practice advertising self-regulation principles the ASA meets all requirements¹⁵.

18 We would advise caution in relying on research from other jurisdictions. The New Zealand co-regulatory regime for alcohol marketing is vastly different to that of many other jurisdictions, particularly the United States. For example, the US does not have similar watershed hours, age restrictions for those that appear in advertisements, or adult audience thresholds for music or sporting events. Therefore, research from the US, both on the effectiveness of industry self-regulation and on the influence of advertising, must be viewed within its national context. Much advertising or sponsorship that is permissible in the US would not be allowed in New Zealand and it would therefore be incorrect to draw conclusions from that.

Alcohol is a mature market for advertising and sponsorship

19 Alcohol is what is known as a “mature” advertising market in New Zealand, as in most other developed countries. This means that people are generally already purchasing the product, and there is limited room for growth in sales or consumption of the product. The effect and intention of advertising in a mature market is explained here:

“...[E]conomic theory, plus extensive scientific research, indicates that advertising in a mature market – such as that for alcoholic beverages,

¹⁴ <http://www.iccwbo.org/News/Articles/2014/New-ICC-Framework-clarifies-do's-and-don'ts-for-responsible-marketing-of-alcohol/>

¹⁵ Developed by the European Advertising Standards Alliance (EASA), the de facto peak body of advertising self-regulation. EASA has formed the International Council on Advertising Regulation of which the ASA is a member.

*detergent soaps or toothpaste – does little or nothing to increase total demand. Rather, advertising serves to develop brand loyalty*¹⁶.

20 The intent of beer advertising is to encourage the consumer to switch brand, win market share from competitors, and encourage consumers to trade up to higher value brands, rather than purchase more of the product. The mature nature of the alcohol market from an advertising perspective is backed up by the static or declining total consumption trends in alcohol both in New Zealand and other developed markets. This is particularly true of the beer market.

21 Marketing and sponsorship rights are therefore critical to the business model. They underpin brand equity and therefore market value. Innovation, including in lower alcohol products like Steinlager Edge (3.5%ABV) or Export Citrus (2% ABV), is incredibly hard without the right to market. Indeed, without marketing, the primary competitive dynamic would be retail price discounting (see *unintended consequences*).

Brand advertising and sponsorship adds value

22 Often the refrain is “then why do it, if it doesn’t work?”. Evidence indicates that advertising and promotion in a mature market can have a measurable impact on market share for brands and substitution between brands. It is also a critical component in the attempt to encourage consumers to move up the product value chain, or move across from one brand to another. Advertising provides consumers with information to better assist with choices.

23 It is important to note that there is a difference between *brand* advertising and *price* advertising. Brand advertising is done by the alcohol producer to create brand loyalty and distinguish a product from another similar product. Price advertising is done by the retailer and is something over which the producer generally has little control.

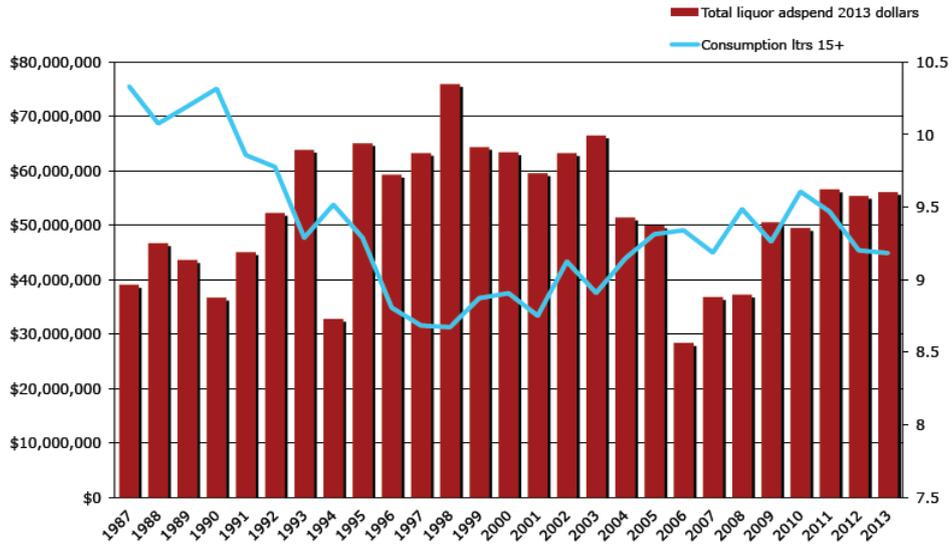
24 Brand advertising helps to grow pricing in the market place through the growth of premium brands. This in turn creates an industry that can grow profitably without the need for volume increase to drive growth. This is evidenced by the beer market in New Zealand that has consistently declined in volume but grown in value through the swing of consumers to more premium products. Beer is by far the largest alcohol advertiser in New Zealand yet beer consumption has decreased significantly in the last 30 years whilst diversity of styles and brands of beer have varied during the same period – in part due to advertising - and all to the benefit of the consumer.

Alcohol advertising is not at unprecedented levels

25 Contrary to some assertions, spend on alcohol advertising is not at unprecedented levels. The graph below not only demonstrates clearly that there is no direct correlation between alcohol advertising spend and total consumption levels, but that advertising spend is lower than it was a decade ago.

¹⁶ Calfee, John E., “Comments on ‘Youth and Alcohol: Controlling Alcohol Advertising That Appeals to Youth’”, November 27, 1991

**New Zealand Annual Liquor Advertising Spend in 2013 dollars
with Per Capita Consumption 15+**



Changing technologies

26 The alcohol law reform process “noted that regulating alcohol advertising is difficult and its effect uncertain, particularly because alcohol advertising is a rapidly-growing area with new technologies and marketing techniques providing new opportunities to influence purchase and consumption behaviour. Restrictions, may, therefore, be easily circumvented.”¹⁷ Concern exists about the potential effects that media portrayals of drinking (television, film, music and music videos, user-generated content on social media), and non-traditional forms of alcohol advertising (eg. twitter, facebook) may have on alcohol consumption and problems among young people. Alcohol portrayals are relatively common on television, in film, and in music and music videos – just think Coronation Street, James Bond, and MTV. Only a few studies have investigated the effects of exposure to alcohol portrayals in popular media. Generally, the findings from these studies are mixed and inconclusive¹⁸.

27 Perceptions as to how some sites are used by youth may cloud reality. For example, an underage registered user of Facebook cannot see alcohol brand pages, they cannot search for them, and they cannot even see their friends who are 18 years old or over interacting with alcohol Facebook sites on their walls. Likewise, Youtube restricts content to users over 18 years of age, and Twitter has age-gating capacity. The ASA Code requires that all alcohol brand websites to have age

¹⁷ Ministry of Health, information on Ministerial Forum on Alcohol Advertising and Sponsorship: <http://www.health.govt.nz/our-work/mental-health-and-addictions/alcohol/ministerial-forum-alcohol-advertising-and-sponsorship>

¹⁸ Grube, J. (2004) *Alcohol in the Media: Drinking Portrayals, Alcohol Advertising, and Alcohol Consumption Among Youth*, Chapter 11 of ‘Reducing Underage Drinking: A Collective Responsibility’, National Research Council (US) and Institute of Medicine (US) Committee on Developing a Strategy to Reduce and Prevent Underage Drinking; Bonnie RJ, O’Connell ME (editors) Washington (DC).

verification entry pages¹⁹. It is acknowledged that some young people deliberately lie about their age to initially register on a social media site, often without their parent's permission. However, this is not a problem unique to alcohol brands, and advertisers cannot be held responsible for the veracity of information supplied by online users if all reasonable steps have been taken. Similarly to other rules or laws that require honesty and compliance, individual and parental responsibility must be taken into consideration.

28 Perceptions that social media sites are dominated by children are incorrect. As at April 2013 the top two social media sites used in New Zealand were Youtube and Facebook²⁰. A 2012 Social Network Analysis Global Study found that 0-17 year olds made up only approximately 9% of total Youtube users, with the dominant age-group being 45-54 year olds²¹. Similarly, only 15% of Facebook users in New Zealand are between the ages of 13-17, with 50% of users aged between 18 - 34²². As at April 2014, no alcohol brands were in the top 10 Facebook New Zealand sites – in fact the top two sites were Air New Zealand and Whittaker's Chocolate²³.

29 Alcohol advertising and sponsorship must be seen within the broader context of society, and care must be taken in assessing what happens in non-commercial contexts (eg. music videos, films and television) and user-generated content (eg. non-brand Facebook, Twitter or Youtube sites) and applying that to alcohol marketing²⁴. Much of the concern around social media, to episodes such as 'neknominate' for example, are in fact from user-generated content and not something driven from any alcohol brand or company.

30 Restrictions on traditional forms of advertising may push advertising to other, less easily regulated, domains: passing a law banning alcohol sponsorship of a rock concert is easy (whether or not it does any good); passing a law banning singers from mentioning particular brands in their songs would be impossible, especially where much of our music comes from abroad. Parry et al's (2012) case for a total ban on alcohol advertising points to some of these likely necessary complements: bans on and scrutiny of merchandise, digital media, and foreign television signals²⁵. While we disagree strongly with their call for a total ban, Parry et al are correct that bans or restrictions push advertising and promotions into other areas and raises the difficulties of keeping current with and enforcing other areas.

31 Social media has provided a medium for many businesses, especially entrepreneurs, to reach consumers that might not have had the budget or inclination for more traditional forms of advertising. For example, many small breweries do not engage in 'above-the-line' marketing, but have significant followings on Twitter or Facebook that allow them to reach their consumers. 42 Below became the much vaunted New Zealand export success in large part due to its subversive viral

¹⁹<http://www.asa.co.nz/pdfs/Guidance%20Notes%20for%20Code%20for%20Advertising%20and%20Promotion%20of%20Alcohol%20January%202013.pdf>

²⁰ <http://www.adcorp.co.nz/news-blog/Social-Media-Statistics-Aust-and-NZ-Apr13>

²¹ <http://www.ignitesocialmedia.com/social-media-stats/2012-social-network-analysis-report/>

²² <http://www.marketinggum.com/facebook-statistics-for-new-zealand/>

²³ <http://www.socialbakers.com/facebook-statistics/new-zealand>

²⁴ Sloane, K., Wilson, N. & Imlach Gunasekara, F. (2013). A content analysis of the portrayal of alcohol in televised music videos in New Zealand: Changes over time. *Drug and Alcohol Review*, 32, 47-52.

²⁵ Parry, C. et al. (2012), "A total ban on alcohol advertising: presenting the public health case", *South African Medical Journal* 102:7.

marketing campaign²⁶. Care needs to be taken therefore, to ensure targeted, proportionate responses to new technologies and not apply a blunt mechanism.

32 We agree that new technologies must be included in the controls around alcohol advertising, promotion and sponsorship, but contend that the current co-regulatory regime is capable of meeting the dynamic requirements of maintaining the standards. Further regulatory measures, or an outright ban, would be cumbersome, difficult to enforce and could have significant unintended consequences, particularly to small businesses.

Is there enough evidence to place further restrictions on alcohol advertising and sponsorship?

The balance of the evidence does not support a direct causal relationship between overall alcohol marketing, and drinking levels or harmful drinking patterns

33 The Forum must consider whether there is real, compelling evidence that responsible advertising encourages excessive consumption or is a major factor in causing minors to take-up drinking. Whilst, some longitudinal research shows a modest relationship between exposure to marketing and drinking among young people, there remains little consensus in the research literature on the nature or size of the relationship. The balance of the evidence is inconclusive and does not support a direct causal relationship between overall alcohol marketing and drinking levels or harmful drinking patterns (whether chronic or episodic). This applies both to adults and young people.

34 Care needs to be taken so that a correlation or association in behaviour is not overstated so as to presume causation. This is a basic principle of scientific research – for an example think of the correlation between eating ice cream and drownings²⁷. To state that alcohol advertising and sponsorship *causes* or *leads to* or *encourages* underage drinking or heavier drinking would be a gross overstatement and a misrepresentation of the research. Some research indicates there is a *correlation* or a *link*, but also acknowledges that marketing is just one aspect of determinants of alcohol consumption and alcohol-related harm: it can be difficult to isolate the impact of one aspect from another and there is often a hierarchy of other factors.

35 In this regard Grube (2004) notes:

In contrast to experimental and ecological studies, however, survey research studies on alcohol advertising and young people consistently indicate that there are small, but significant, correlations between awareness of and affect toward alcohol advertising and drinking beliefs and behaviors among young people. Children and adolescents who are more aware of and favorably disposed to alcohol advertisements hold more favorable beliefs about drinking, intend to drink more frequently as adults, and drink more frequently and in larger quantities than do other young people. Taken as a whole, the survey studies provide some evidence that alcohol advertising may influence drinking beliefs and behaviors among

²⁶ The Economist (2004), *Viral Marketing: Drink to That - Politically Incorrect can work wonders*, <http://www.economist.com/node/2354558>

²⁷ Days with the most sales of ice cream also see the most people drown. The fact that just because one variable is statistically associated to another, it does not mean that one is the cause of the other: <http://statistics.about.com/od/HelpandTutorials/a/Correlation-And-Causation.htm>

*some children and adolescents. A growing body of research is confirming and extending these findings. This evidence, however, is far from conclusive. Because of the cross-sectional design of most of the published studies, causal inferences are difficult. Alcohol advertising may predispose young people to drink or the opposite may be true instead. That is, young people who are favorable toward drinking may seek out information about alcohol and thus be more attentive to alcohol advertisements.*²⁸

36 Again we advise caution in relying on research from other jurisdictions. The New Zealand co-regulatory regime for alcohol marketing is vastly different to that of many other jurisdictions, particularly the United States and much advertising or sponsorship that is permissible there would not be allowed in New Zealand.

Marketing is not the most influential factor when it comes to drinking behaviour

37 Studies show that whilst there may be some association between exposure to advertising and adolescent consumption, this influence is minimal compared to other social and cultural factors. Environmental factors, such as advertising and promotion, play a smaller role. Family and peer relationships have the strongest and most consistent influences on alcohol use in adolescence. Other influences are socioeconomic status, engagement in schooling and sporting activities, personal attitudes and personal problems:

- The ALAC Drinking Behaviours Report (2008) said “Young people are influenced most by the drinking behaviours they see around them.” Further evidence of the important role of parents comes when we look at the statistics on where under 18s obtain their alcohol. 85% of alcohol supplied to minors is supplied by friends and family.²⁹
- A study in the US in 2012 by GfK Roper indicates that parents have the greatest influence over youth consumption. Only 1.8% of 13-17 year olds saying ads influence their decision to drink, and 73.1% saying that parents influence their decisions³⁰.
- A 2013 Deakin University study found that rates of teen binge drinking were reduced by 25 per cent when parents set rules not to supply or allow adolescent alcohol use³¹.
- A 2012 US study compared media/marketing exposures and family factors in predicting adolescent alcohol use, particularly early onset of drinking and progression to binge drinking, found that the family environment, including parent and sibling behaviour was critically important.³²

²⁸ Grube, J. (2004) *Alcohol in the Media: Drinking Portrayals, Alcohol Advertising, and Alcohol Consumption Among Youth*, Chapter 11 of 'Reducing Underage Drinking: A Collective Responsibility', National Research Council (US) and Institute of Medicine (US) Committee on Developing a Strategy to Reduce and Prevent Underage Drinking; Bonnie RJ, O'Connell ME (editors) Washington (DC).

²⁹ ALAC Drinking Behaviours Report (2008)

³⁰ <http://www.alcoholstats.com/uploads/InfluencesOnYouthsDecisionsAboutDrinking.pdf>

³¹ Deakin University (2013), <http://www.deakin.edu.au/news/2013/151013teenalcohol.php>

³² Stoolmiller, M., Wills, T. A., McClure, A. C., Tanski, S. E., Worth, K. A., Gerrard, M., et al. (2012), *Comparing media and family predictors of alcohol use: A cohort study of US adolescents*, *BMJ Open*, 2(1), 11. Retrieved from <http://bmjopen.bmj.com/content/2/1/e000543.full>.

- A 2010 UK study about how children learn about alcohol in “ordinary families” found that the home is an important source of learning about alcohol. Young children anticipate modelling their future behaviour on parents’ drinking styles rather than on negative teenage-drinking styles, and parents often have limited belief in their ability to teach children to drink responsibly, in the face of external pressures.³³
- A 2010 Australian study found that family management, which included practices such as parental monitoring and family rules about alcohol use, had the strongest and most consistent relationship with alcohol use in early adolescence.³⁴
- 2013 research from Australia concluded that the strongest factors that predicted drinking behavior were (a) low school commitment upon the transition to high school; (b) the presence of a sibling who consumed alcohol; and (c) parental attitudes favourable to alcohol use³⁵.
- Most recently, 2014 research from Australia concludes that the predictors of frequent alcohol consumption among adolescents included having a sibling or a friend who consumed alcohol; believing parents, friends and/or siblings approved of drinking; drinking behaviours of parents, friends and/or siblings; and having a higher disposable income. These results support previous findings from the USA on the role of family, friends and peers in adolescent alcohol consumption with an even stronger effect found in a country with a lower legal drinking age and high adult consumption rates.³⁶

Research on the effect of advertising on consumption remains equivocal post-2010

38 We acknowledge that there may be some association between exposure to advertising and consumption, but we contend that the research remains equivocal and does not support a direct causative relationship, other factors play a greater role, and therefore the balance of evidence is not sufficient to support further restrictions, let alone a complete ban.

- A 2010 review of 20 longitudinal studies of youth drinking found substantial methodological shortcomings which precluded a causal interpretation between alcohol advertising and youth consumption. The review also noted that evidence on brand recognition or brand approval is not clear evidence regarding the general effects of advertising-marketing on

³³ Brooks, Eadie, Forsyth, Heim, MacAskill, Punch, *Pre-teens learning about alcohol: drinking and family contexts*, Joseph Rowntree Foundation, York, 2010, <http://www.drugsandalcohol.ie/14142/>

³⁴ Habib, Cherine, Kremer, Peter, Leslie, Eva, Santoro, Joesph, Toumbourou, John, Williams, Joanne, *The importance of family management, closeness with father and family structure in early adolescents alcohol use*, *Addiction* 2010 Oct; 105(10) : 1750-1758: <http://onlinelibrary.wiley.com/doi/10.1111/j.1360-0443.2010.03021.x/abstract>

³⁵ Chan GC, Kelly AB, Toumbourou JW, Hemphill SA, Young RM, Haynes MA, Catalano RF. (2013), *Predicting steep escalations in alcohol use over the teenage years – age related variations in key social influencers*, *Addiction*. 2013; 108(11): 1924-32: <http://www.ncbi.nlm.nih.gov/pubmed/23834266>

³⁶ Jones SC, Magee CA (2014), *The Role of Family, Friends and Peers in Australian Adolescent’s Alcohol Consumption*, Centre for Health Initiatives, University of Wollongong, Australia, Drug and Alcohol Review 2014,

youth drinking behaviours or evidence of a causal effect of advertising on youthful drinking³⁷. Recognition or receptivity does not necessarily lead to uptake.

- Furthermore, two contemporary systematic reviews, Anderson et al. (2009) and Smith & Foxcroft (2009), which were heavily relied upon in the Law Commission Report, have both come under criticism for their lack of comprehensiveness. Nelson (2011) finds that “while both prior reviews recognize that their conclusions might be contaminated by publication bias, neither goes beyond mere recognition of this problem.”³⁸ In his analysis, he concludes “it would be equally correct to state that many studies also found evidence of a null effect for marketing exposure, especially the commercial mass media.”
- A 2014 literature review challenges the assumption that early onset of drinking leads to problem drinking in later life, there is in fact, little evidence to show that this is the case³⁹.
- This 2009 study notes the importance of the parent-child relationship to the age of first drink and future alcohol use⁴⁰.

39 We contend that further regulation of alcohol advertising and sponsorship would be a disproportionate policy focus for government when all factors are considered. A more efficacious approach would be to focus on education in schools for youth, parents and caregivers, as this is consistently shown to be the main driver of youth drinking behaviours⁴¹.

Evidence relating alcohol industry sponsorship to alcohol-related harm

40 Like other forms of promotion, there is no firm evidence that suggests a ban on sponsorship would lead to a significant reduction in alcohol misuse or underage consumption, or that it would be

³⁷ Nelson, JP, *What is Learned from Longitudinal Studies of Advertising and Youth Drinking and Smoking? A critical assessment*, International Journal of Environmental Research and Public Health, March 8, 2010 ; <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC2872298/>

³⁸ Nelson, J. P. (2011), *Alcohol Marketing, Adolescent Drinking and Publication Bias in Longitudinal Studies: A Critical Survey using Meta-Analysis*. Journal of Economic Surveys, 25: 191–232. doi: 10.1111/j.1467-6419.2010.00627.x

³⁹ Maimaris W, et al. J Epidemiol Community Health (2014);68:268–274: <http://jech.bmj.com/content/68/3/268.full.pdf>

⁴⁰ Engels, Rutger, Kuntsche, Emmanuel, van der Vorst, Haske (2009), *The earlier the more? Differences in the links between age at first drink and adolescent alcohol use and related problems according to quality of parent-child relationships*, Journal of Studies on Alcohol and Drugs 2009 May; 70(3) : 346: <http://cat.inist.fr/?aModele=afficheN&cpsidt=21404003>

⁴¹ We note that there is minimal access to programmes in schools, alternative education, tertiary environments and other education providers that address students’ alcohol and drug issues, including for parents and caregivers. Our understanding is that whilst some schools offer education about alcohol it varies in its content and quality. It is unclear what consistent, targeted education programmes are occurring through the Ministry of Education or other entities. We are hopeful that these issues will be addressed in the review of the *National Drug Policy*. The Ministry of Youth Development developed in 2002 a best practice guide for the design, delivery and evaluation of school-based drug and alcohol education entitled *Strengthening Drug Education in School Communities* but it is unclear whether this has been adopted: <http://www.smokefreeschools.org.nz/sites/all/files/Strengthening%20Drug%20Education%20in%20Schools.pdf>

a justified and proportionate response. Most studies identify that the relationship is complex, and it is difficult to control for other contextual, psychosocial and cultural factors. No studies have shown a direct causal relationship, and the incidents of alcohol-related harm remain in the minority.

41 SPARC (now Sport New Zealand) the government organisation responsible for sport and recreation commissioned a comprehensive review in 2010 of the relationship between sport and alcohol⁴². This report found that there was a strong and complex relationship between alcohol and some sports. It concluded that “overall, hard evidence was limited and insufficient to describe the full extent and nature of the problem in sport in New Zealand. Research to date does not provide evidence that sports have more of a problem with the misuse of alcohol than New Zealand society in general.”

42 Whilst some studies have found a link between alcohol-sponsored sportspeople and higher rates of hazardous drinking⁴³, we caution again that these studies show a correlation and not causation. This is evidenced by the fact that many different kinds of sports and sport players (not to mention arts and cultural events) receive alcohol sponsorship, yet anti-social behaviour is in the minority, and tends to be linked more with underlying drivers, pressures, and expectations.

43 This goes for audience behaviour as well as player behaviour. This was demonstrated by HPA commissioned research on the culture of alcohol promotion and consumption at major sports events⁴⁴. Whilst the Heineken Open was recorded as having one of the higher number of alcohol brand mentions and visibility, the attitude of attendees towards alcohol was the best of the four events surveyed. 79% of participants disagreed that they would drink more at the Heineken Open than on an average drinking occasion and 64% of participants disagreed that consuming alcohol at the Heineken Open is just what you do. Compared to the Sevens which of the four surveyed events had the least prominent alcohol messaging, yet the highest number saying drinking is “just what you do”⁴⁵. The bottom line was that the event most associated with drinking had sponsorship-awareness no different from that at the Heineken Open and had far less visible drinking and alcoholic sponsorship on TV coverage than did the other sporting events surveyed. The relatively sedate tennis and cricket matches have more obvious sponsorship, but less drinking culture. All of this reinforces the common experience that the attitude towards alcohol is set by the environment and expectations at the given event, and how the alcohol is managed at the event. None of this can be used as evidence to conclude that alcohol sponsorship should be eliminated or prohibited from every singles sporting and cultural occasion.

⁴² *Alcohol and Sport: What is the nature of the relationship and is there a problem?: A scoping study prepared for SPARC Ihi Aotearoa, PS...Services*, August 2010 [NB: this report does not appear to have been considered by the Law Commission]

⁴³ O'Brien, K., Lynott, D. & Miller, P.G. (2013). *Alcohol industry sponsorship and alcohol-related harms in Australian university sportspeople/athletes*. *Drug and Alcohol Review*. 32, 241-247.
http://www.lancaster.ac.uk/staff/lynott/d/publications_files/O'Brien-Lynott-Miller-2013-AlcoholSponsorshipSportsPeople.pdf

⁴⁴ Gee, S, Jackson, S., Sam, M., *The Culture of Alcohol Consumption and Promotion at Major Sports Events in New Zealand*, research commissioned by the Health Promotion Agency, August 2013:
http://www.alcohol.org.nz/sites/default/files/research-publications/pdfs/culture_of_alcohol_promotion_and_consumption_0.pdf

⁴⁵ Add to this the fact that alcohol sales at the Stadium during the Sevens have been trending downwards over the last five years: http://www.nzherald.co.nz/sport/news/article.cfm?c_id=4&objectid=11198908

44 Studies relating to recognition of sponsorship messages by children⁴⁶ must also be treated with caution and are weak at best. Evidence on brand recognition or sponsor recognition is not clear evidence regarding the general effects on youth drinking behaviours or evidence of a causal effect of advertising on youthful drinking. Recognition or receptivity does not necessarily lead to uptake, and is low on the hierarchy when other factors, such as family and school engagement, are considered⁴⁷.

Alcohol advertising and sponsorship bans do not work

45 A wealth of research contradicts the claim that advertising bans are effective as a policy to reduce demand for alcohol and/or reduce harmful consumption of alcohol. The empirical evidence from several markets across the world over many decades demonstrates that advertising is not connected with increases in levels of total or harmful alcohol consumption:

- Much weight is given to the French 'le Loi Evin' model. Yet a 1999 report by the French Parliament, evaluating the effectiveness of France's advertising and sponsorship ban concluded that no effect on alcohol consumption could be established⁴⁸. A close analysis of the facts demonstrated that the slow decline in alcohol consumption was deemed not to be correlated with the Loi Evin but attributed to other factors. Furthermore, while alcohol consumption among the general population in France has been falling, and despite the advertising and sponsorship ban, risky drinking and repeat drunkenness has increased considerably among young people. Even the French National Association of Prevention of Alcoholism and Addiction conceded that the effects of the law are indeed "weak" and are more symbolic than quantitative⁴⁹.
- Nelson and Douglas (2001) conducted a study of brands on broadcast advertising in 17 OECD countries from 1977- 2000 in relation to per capita alcohol consumption, liver cirrhosis mortality and motor vehicle fatalities. The results indicate that advertising bans in OECD countries have not decreased alcohol consumption or alcohol misuse⁵⁰.
- In New Zealand total alcohol consumption has fallen by 9% since broadcast alcohol advertising was reintroduced in 1991.

⁴⁶ Pettigrew, S., Rosenberg, M., Ferguson, R., Houghton, S. & Wood, L. (2013). *Game on: do children absorb sports sponsorship messages?* Public Health Nutrition.: <http://journals.cambridge.org/action/displayAbstract?fromPage=online&aid=9061412>

⁴⁷ Nelson, JP, *What is Learned from Longitudinal Studies of Advertising and Youth Drinking and Smoking? A critical assessment*, International Journal of Environmental Research and Public Health, March 8, 2010 ; <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC2872298/>

⁴⁸ Berger, G. et al., (1999), *La Loi relative à la lutte contre le tabagisme et l'alcoolisme : rapport d'évaluation*, La Documentation Française, p. 106 (NB: *This did not appear to have been considered by the Law Commission*)

⁴⁹ The 'Loi Evin' : a French exception, Dr. Alain Rigaud, Président Association Nationale de Prévention en Alcoologie et Addictologie (ANPAA): <http://www.ias.org.uk/What-we-do/Publication-archive/The-Globe/Issue-2-2004-1-2004/The-Loi-Evin-a-French-exception.aspx>

⁵⁰ Nelson, J. & Young, D. *Do Advertising Bans Work? An International Comparison*, Department of Economics, Pennsylvania State University, http://econ.la.psu.edu/papers/Alcohol_Advertising_Bans.pdf

- The results of a natural experiment in the Canadian province of Saskatchewan, where a total ban on alcohol advertising was lifted, show mixed results, reporting increased beer sales, decreased spirits sales, and no effect on wine or total alcohol sales⁵¹.
- Babor et al also states: “*Although bans on some aspects of advertising are not uncommon, there is a limited amount of evaluation research on their effectiveness*” before going on to acknowledge that studies found the lifting of advertising bans in Manitoba and British Columbia had no negative effect.⁵²
- Advertising and effects on consumption were studied in France, Germany, the Netherlands, Sweden, and the United Kingdom between 1970 and 1983. Despite significant differences in alcohol advertising policies, alcohol consumption decreased in all five countries⁵³.

46 These findings suggest that advertising bans do not have a large impact on drinking patterns. Despite the longstanding use of advertising bans in some countries, other economic and cultural factors are far more important as determinants of drinking patterns and consumption.

47 Advertising and sponsorship bans are ineffective in achieving their intended public health outcomes. Instead, clear and proportionate rules for appropriate advertising and sponsorship that meets society’s expectations are needed.

A proper weighing of the available evidence

48 We note in this regard to the above evidence that the Law Commission appears to have far too heavily relied on experimental research with major (and in many cases acknowledged) methodological limitations, while being too quick to dismiss compelling econometric studies and analyses of real life restrictions and bans. We urge the Forum to be cautious not to place insufficient weight on benefits and higher value on the harms. In any policy decision there is a need to balance the harms avoided against the harms imposed, and to give due regard to all the evidence.

49 The Law Commission Report appeared to acknowledge the weaknesses in the evidence base:

“Links between alcohol advertising and alcohol consumption are not easy to draw in a conclusive manner. As discussed in other parts of this report, alcohol consumption is influenced by a myriad of individual and environmental factors, including alcohol’s affordability and availability. However, drinking has been shown to be associated with exposure to advertising and other promotional activity”.

50 Despite this, the report recommends a staged progression to an extremely restrictive regime, the most restrictive regime possible in fact. This would be an extraordinary social experiment given the incredibly weak evidence base, clear indications that harmful drinking is on the decline, and a completely disproportionate response given most New Zealanders (including youth)

⁵¹ Makowsky, C. R., & Whitehead, P. C. (1991), *Advertising and alcohol sales: A legal impact study*, Journal of Studies on Alcohol, 52(6), 555–567.

⁵² Babor et al; *Alcohol: No Ordinary Commodity* (2010), page 242

⁵³ Calfee, J. E., & Scheraga, C. (1994), *The influence of advertising on alcohol consumption: A literature review and an econometric analysis of four European nations*, International Journal of Advertising, 13, 287–310.

are not drinking in a harmful way.

51 Nelson (2011) demonstrated substantial publication bias effects in findings of harmful effects of alcohol advertising, concluding “results are consistent with lack of genuine effects of marketing on adolescent drinking.” Nelson demonstrated not only publication bias in many of these articles, but also conclusions that are severe distortions of the evidence presented⁵⁴. Jones and Magee’s evidence from Australia is a prime example⁵⁵. Where they provided no substantive evidence demonstrating harmful effects of alcohol advertising, they nevertheless concluded that “researchers and policy makers therefore need to develop ways to minimize young people’s exposure to alcohol advertising in order to reduce its impact on their drinking attitudes and behaviours.”

52 In reality, the quality of the available research on the impact of alcohol marketing, globally and particularly in New Zealand, is very poor. There is as much evidence calling into question any robust connection between exposure to alcohol marketing and underage drinking, as there is showing a modest association. Add to this the fact that the SSAA 2012 needs time to embed itself and changes to take effect in the marketplace.

53 We would encourage a Treasury econometrician be tasked with evaluating the reliability of any evidence presented favouring bans or restrictions on advertising, as there are *substantial* problems in the papers purporting to demonstrate strong negative consequences of alcohol advertising.

Sponsorship

Alcohol sponsorship in context – the arrangements

54 Sponsorship between an alcohol producer and another entity, sport or otherwise, is a commercial arrangement between those parties. Promotional activities that arise from the sponsorship arrangement are covered by:

- regulation established by government (under the SSAA 2012);
- industry self-regulation (ASA and BSA Codes);
- Contractual arrangements (eg. stipulations in the contract as to how the team/player can be used in any promotional activities).

55 Sponsorship involving the alcohol industry has different forms, such as:

- Event sponsorship - where a specific event or series is sponsored;
- Organisation sponsorship - where an annual amount is paid to an organisation usually for general purpose. Organisation sponsorships are usually associated with sports at a national, provincial/regional, club and team level, and/or with individual players;

⁵⁴ Nelson, Jon P. 2011. “Alcohol marketing, adolescent drinking and publication bias in longitudinal studies: A critical survey using meta-analysis.” *Journal of Economic Surveys* 25: 191-232

⁵⁵ Jones, S.C. & Magee, C.A. (2011). *Exposure to alcohol advertising and alcohol consumption among Australian adolescents*. *Alcohol and Alcoholism*. 46 (5): p. 630-637.

- Brand sponsorship – where a brand is associated with the sponsored event or organization and receives brand exposure;
- In-kind sponsorship – where product is supplied, not necessarily for payment, and there might not be naming rights or even recognition for the donation
- Hospitality sponsorship – where a licensed operation, generally a sports bar or local pub, has a relationship with a local team or club.

56 All of the above must be differentiated from:

- support (eg. rebates on purchases or possibly contra product such as outdoor umbrellas, bar equipment or signage) in return for pourage at events;
- clubroom bars operating their own licensed premises – the alcohol industry is the supplier of alcohol for sale on these premises. They are licensed venues and must operate in compliance with the SSAA 2012;
- clubroom bars affiliated with other licensed premises, eg. chartered clubs such as RSAs, Cosmopolitan Clubs, Working Men’s Clubs will often have a bowls club and several other clubs operating under their auspices.

These arrangements are not typically considered sponsorship as it is no different to what a brewery (or other alcohol company) might offer to a bar that pours its products or a store that stocks its products. They are commercial operations of a different nature to sponsorship. If this type of support was considered sponsorship and prohibited or further regulated, that would not only prejudice clubroom bars from the type of support that any other licensed bar or restaurant would be able to receive, but could also threaten the viability of a large proportion of those clubrooms⁵⁶.

57 It is also worth noting that gaming societies (for example, the Lion Foundation, New Zealand Community Trust, Pub Charity) provide funding derived from gaming machines that are located within pubs and clubs to local sports and cultural bodies. These funds therefore also have a link with the alcohol industry and make up a considerable amount of funding for many sports, arts and cultural organisations. If a complete ban of all alcohol-related sponsorship is considered, as ultimately proposed by the Law Commission, then these funds would also need to be factored in.

Sponsorship by the beer industry in context

58 The beer industry is a major sponsor and supporter of many cultural and community activities, from major sporting teams and events such as the Heineken Rugby World Cup 2011 and the All Blacks, to the Golden Shears competition, the Speight’s Coast to Coast, to the Comedy Festival, the Fringe Festival, to numerous local fairs, festivals and other voluntary organisations. Sponsorship is an important avenue for both brand promotion and differentiation.

59 The beer industry predominantly sponsors sporting activities across a wide variety – such as golf, rugby, polo, fishing, cricket, endurance, high performance, skiing, tennis, running, rowing, and bowls. It does not sponsor sport to promote its products to children. Sponsorship is used because the vast majority who watch sport, either at the ground or on television, are adults and typically

⁵⁶ *Alcohol and Sport: What is the nature of the relationship and is there a problem?: A scoping study prepared for SPARC Ihi Aotearoa, PS...Services, August 2010*

adult males. The vast majority of beer drinkers are adult males. Many people gain enjoyment which does not result in harm from drinking a beer whilst watching a game, whether at the stadium or at home, or in having a celebratory drink after a game or match with the team or friends.

60 Sports sponsorship is simply an effective channel to reach the beer industry's target audience, adults males, and encourage them to choose one brand over another. Likewise, car brands heavily invest in sports sponsorship for the same reason as the beer industry – to target adult males. Yet there is no suggestion that doing so encourages young people to speed, as they often do. Double standards seem to apply to those critical of the alcohol industry.

61 As noted above, beer predominantly sponsors sporting events, but is also involved in many other music, arts and cultural events. Breweries (small and large) also donate product to non-profit and charitable organisations that adds value to their event or fund-raising activities. Breweries have created special brews to support events; Garage Project's 'Hops on Pointe' special beer in collaboration with the Royal New Zealand Ballet is just one example⁵⁷.

Sponsorship brings promotional leverage advantage

62 For many of the events (major or otherwise), the leveraging ability that an alcohol sponsor brings is as much part of the relationship as the financial or other contribution. Sponsorship has to be a win-win for both parties involved. Alcohol brands contribute significantly to the promotion of the events, expanding the reach of the sport/art/cultural event to reach a much wider audience, particularly to the key target demographic for the sponsored activity. If this sponsorship was not available, the promotional reach would be to a far lesser extent, or have to be paid for from other sources.

63 Prime examples of this are

- The Tui 'Catch a Million' promotion over the 2013/2014 BLACKCAPS season whereby BLACKCAPS supporters wearing promotional tee shirts were given the opportunity to win \$100,000 at every BLACKCAPS ODI or T20 over the season if they caught a six one-handed. The promotion drove huge interest in cricket: exciting the crowd to stay actively focused on the game and incentivising supporters to come out from behind their TVs and down to the games at the stadiums (a key objective for New Zealand Cricket).

- Promotion of the NZ International Comedy Festival 2014 from sponsorship by Old Mout cider. In the lead up to the festival Old Mout ran a nationwide marketing campaign including street posters and radio to help drive ticket sales and awareness. Old Mout also ran promotions in store, giving the organisers access to a channel they otherwise would not reach – supermarkets, bars and liquor stores. This activity drives awareness of the festival to new consumers and/or reinforces it amongst consumers during their usual shopping experiences.

⁵⁷ http://www.rnzb.org.nz/media/19578/rnzb_beer_on_pointe.pdf

Patterns of drinking and expectations of behaviour in sports have changed

64 It is important to note that stereotypes and perceptions of drinking cultures in sports and the way sponsorship works may be different to reality. This is often driven by media stories involving high profile sportspeople. In general, is not an unmonitored environment with the players being inundated with free alcohol as many perceive. A number of codes and clubs now have codes of player conduct that stipulate expected standards of behaviour. The beer companies are extremely sensitive to their sponsorship arrangements and ensure they meet expected standards of behaviour to the highest degree. The new SSAA 2012 will reinforce this even further with the requirements around host responsibility and irresponsible promotion.

65 Patterns of drinking in clubrooms have changed over the last 10-15 years: many people are drinking less, not staying as long, and clubs are becoming more family-friendly. Many sports clubs reported a number of factors behind these changes, such as change in tolerance towards drink-driving, the focus of clubs on developing athletes and training players to be the best they can be, encouraging player partners and families to come to the club rooms, having players sign up to codes of conduct, alcohol awareness courses, and players choosing to drink elsewhere⁵⁸. The NZRU noted that “there is a stereotype of the ‘typical’ rugby player that may have been relevant 20 years ago, but is not a fair representation of rugby players today”⁵⁹.

Player codes of conduct and alcohol awareness training programmes

66 Almost all sports have codes of conduct for their elite players or clauses within contracts about not bringing the sport into disrepute. Professional players must now be top athletes to survive in their chosen sport – the harmful use of alcohol does not equate with that. They are subject to contractual Codes of Conduct and disciplinary action, as well as intense media scrutiny. Many codes recognise the intense psychological and emotional pressure their players come under and now offer personal and professional development training to assist with these pressures. For example, the NZRU offers a programme to all professional rugby players its Super Rugby and national teams which includes alcohol awareness education and use. The sponsorship arrangement with Lion requires all professional players receive alcohol behaviour management training to ensure they get the preparation and training to understand how to deal with alcohol and situations that may arise.

67 There are a number of programmes, interventions and initiatives designed and implemented to counteract harmful consumption behaviours in sports and clubs. For example, ClubMark (a community-based initiative developed by ACC and (then) ALAC) to aim to reduce alcohol-related and sports injuries), SAY Now (Sports Assisting Youth Now⁶⁰ a programme which encourages decision makers within sports clubs to foster environments that model responsible drinking behaviours). Clubs are doing a range of things to promote responsible alcohol behaviour, for the benefit of their players, their clubs, and their sports.

⁵⁸ *Alcohol and Sport: What is the nature of the relationship and is there a problem?: A scoping study prepared for SPARC Ihi Aotearoa, PS...Services, August 2010, page 14*

⁵⁹ *Ibid*, page 18.

⁶⁰ <http://www.alcohol.org.nz/research-resources/say-now>

68 Rather than stigmatising the consumption of alcohol per se, it is the behaviour that involves the harmful use of alcohol that should be addressed. We greatly support and encourage programmes and procedures that support players, clubs and sports to comply with their host responsibility requirements and promote a moderate, sociable and safe drinking environment and culture. The role that family, friends, teammates, and sporting role models have in shaping a responsible drinking culture is vital, and sports teams and clubs are a critical part of the picture.

Potential economic and community consequences of a sponsorship ban

69 Quite apart from the fact that the balance of evidence does not support a direct causal relationship between alcohol advertising exposure and total consumption, let alone harmful consumption, and the fact that key trends are all going in the right direction – hazardous drinking for adults falling significantly for men to 22% and women to 9%, and the percentage of 15-17 years olds trying alcohol down 16% in five years⁶¹ – this entirely ignores the huge importance of sports, cultural and community sponsorship and the unique role that the alcohol industry plays. Much emphasis is often placed on what impact the loss of the financial contribution would be to the sponsorship recipients. This is but one factor, as one of the major benefits of sponsorship is increased social capital.

70 Sport, music and cultural events in New Zealand make a significant contribution to the country's vibrant and diverse culture as well as having an important economic and social impact. These events must compete with other forms of entertainment, especially the lure of just staying at home and watching it on television. As part of the experience, having the option of enjoying a beer as part of the event, contributes to relaxation and the enjoyment of the event.

71 These events are also major drivers of tourism, both internally and internationally. Sponsorship and support of such events is key to their survival and success. Alcohol sponsorship, particularly beer sponsorship, has been a key part of the package of many major sporting events held and to be held in New Zealand –for example, the NZPGA (Moa), the 2015 ICC Cricket World Cup (Tui), 2011 Rugby World Cup (Heineken)⁶².

72 Income from sponsorship plays a vital role in supporting sporting, cultural and community activity at all levels. As the Government looks at how to encourage the high performance and high value sports sector as well as encouraging greater participation in sport at grassroots level, this support has never been more important. Sponsorship from the alcohol industry is vital for many arts, music and cultural events.

73 Having a small population has curtailed the commercial potential of most sports in New Zealand. The total sponsorship market is estimated to be worth around NZ\$182 million (ie. not just alcohol). With the exception of rugby union, which accounts for 63% of total sponsorship spend as a result of the huge All Blacks deals, the major challenges are for small rights holders to increase their commercial expertise to attract and retain higher value sponsors. The financial services sector

⁶¹ Ministry of Health: *Hazardous drinking in 2011/12: Findings from the New Zealand Health Survey*

⁶² <http://www.tourismnewzealand.com/sector-marketing/major-sports-events/>

accounts for 24.5% of deal value in New Zealand followed by sports clothing (24.1%), alcohol (8.1%), and the car industry (7.1%)⁶³.

74 The contribution of alcohol sponsorship to the arts, culture, music and sports has always been difficult to quantify, as there is much in-kind as well as financial sponsorship. In 2010 the Foundation for Advertising Research assessed the quantum of alcohol sponsorship in New Zealand, the amount was \$20.7million. Further a SPARC report noted that the sale of alcohol is a key source of revenue for many licensed clubs, as is the money from gaming charities that are linked to the alcohol industry⁶⁴.

75 The involvement of the alcohol industry goes far beyond the purely financial; to the core feature of promoting social responsibility in their sponsorship agreements ranging from development of grassroots sport to the active promotion of responsible consumption and retailing. This extra activity would be much less likely if the sponsorship was from another sector.

76 We have noted above the financial contributions of the alcohol industry to various sectors and the major challenges for sports, arts, music, cultural, and community activities to attract and retain sponsors, especially those of higher value. Solutions have been proposed to replace alcohol industry sponsorship with government funding, following the 'Health Sponsorship Council' model that replaced tobacco sponsorship in New Zealand in the 1990s, or following the Australian 'Be the Influence' programme introduced to help reduce alcohol sponsorship. Although this has clearly happened with a number of sports effectively taking Government sponsorship and dropping alcohol partners, they were not the major sports, nor the ones that received the majority of alcohol sponsorship. We understand that the government may be reviewing the programme for effectiveness.

Consequences of further restrictions on alcohol advertising and sponsorship

77 A healthy advertising and sponsorship industry plays a role in sustaining a healthy national economy. A ban on advertising and sponsorship could adversely affect:

- The advertising and media industries: Spending on advertising and sponsorship would suffer as a consequence of an advertising and sponsorship ban. Estimations are that the annual income of the New Zealand media industry would reduce by around NZ\$56 million per year. This would have a multiplier effect across the wider communications sector, across creative agencies, design agencies, printing agencies, and their suppliers, and employment and training in those industries would suffer.
- Moderate consumers: Consumers enjoy expressive and affiliative benefits from advertising⁶⁵. Ford and Holden each enjoy enthusiastic affiliative consumer bases who will

⁶³ International Marketing Reports, *Australia & New Zealand sponsorship data analysis report*
<http://www.imrpublications.com/newsdetails.aspx?nid=44>

⁶⁴ *Alcohol and Sport: What is the nature of the relationship and is there a problem?: A scoping study prepared for SPARC Ihi Aotearoa, PS...Services, August 2010*

⁶⁵ Sunstein, Cass. (2000), "Solidarity in Consumption", John M. Olin Law & Economics Working Paper No. 98.
http://papers.ssrn.com/paper.taf?abstract_id=224618

wear branded merchandise and trade friendly jabs with those affiliating with the other brand. Sports teams similarly provide affiliative benefits. These benefits would be attenuated, to consumers' detriment, were Ford or Holden prohibited from or restricted against engaging in affiliative advertising. As should be no different to alcohol advertising, the case for banning car advertising would have to rest on demonstration of the effects of such advertising on dangerous driving rather simply than on car purchases, and that those effects were substantial enough to outweigh the harms that bans or restrictions would impose on other consumers.

- Price discounting: Without the ability to advertise and drive brand differentiation through marketing, the risk is that price alone will become the way to attract consumers. It will be very difficult to communicate to consumers the value of a product which is so much more than a basic product description. It places more power in the hands of the retailer to set conditions as the only conduit for the producer to reach the consumer.
- SMEs: Markets where advertising has been banned or heavily curtailed are called "dark markets". Research has shown that dark markets typically benefit big players and are severely detrimental to competition and innovation, especially entry into market by small businesses. Bigger, established brands tend to recover faster from an advertising ban, as they have more reputation to trade off. Established brands can afford to invest more in design and packaging, as the retail environment becomes the only conduit to reach consumers⁶⁶. This creates significant competition implications.
- Stifle innovation, especially in lower ABV products: We know from experience that consumers can be attracted to lower ABV products, but advertising and promotion is a key way to let them know about and enhance the characteristics of the product. The success of mid-strength XXXX Gold (3.5% ABV) in Australia was based on it being marketed like a traditional mainstream brand. The mix included sports sponsorship and a long running campaign showing how the beer fits with the outdoors Australian lifestyle. XXXX Gold is now Australia's largest beer brand.
- Tourism: a key plank of the Government's Business Growth Agenda is to grow the value of the tourism sector, and that includes hospitality. Wine tourism is a major plank of much of Tourism New Zealand's work already, and the potential of beer tourism is starting to become apparent, especially in the regions⁶⁷. Taken to its logical extreme, curtailing marketing and promotion of alcohol in New Zealand includes curtailing hospitality that plays a huge part in the tourism industry. Would a visit to Wither Hills winery by the Duke and Duchess of Cambridge be a tragic victim of a total ban on alcohol advertising and sponsorship?⁶⁸ Or Monteith's can't promote its brewery tour in Greymouth which attracts

⁶⁶ <http://www.carlsberggroup.com/investor/news/Pages/Standingoutinadarkmarket.aspx>

⁶⁷ Refer to the Nelson Beer Trail: http://www.craftbrewingcapital.co.nz/wp-content/uploads/2011/08/NZH12138_brochure.pdf

⁶⁸ <http://www.stuff.co.nz/national/royal-tour/9927574/A-Wither-Hills-lunch-for-Wills-and-Kate>

around 40,000 visitors a year⁶⁹? It might seem flippant, but it demonstrates the unintended consequences and untargeted nature of proposals for a blanket ban or further restrictions on alcohol advertising and sponsorship.

- Freedom of Speech: Bans on advertising, in a free society, are only justifiable on solid evidence of substantial net harm reduction. The existing evidence shows only weak associations between exposure to advertising and consumption behaviours. The evidence is not strong enough to warrant further restrictions, or a ban, on alcohol advertising and sponsorship.

Sponsorship and advertising used to promote responsible drinking

78 All members of the Brewers Association are committed to being part of the solution to the harmful use of alcohol and underage drinking. In New Zealand both Lion and DB actively promote moderate and responsible consumption messages. DB (using the Heineken brand) ran a television commercial ('Sunrise belongs to moderate drinkers') promoting moderate consumption during December 2013 and January 2014 that was followed by a social media campaign ('Dance More, Drink Slow') during January and February 2014. Lion (using the Steinlager brand) ran the *Be the Artist Not the Canvas* campaign over summer 2013/2014 to make responsible drinking cool. There is growing recognition that shock tactics and overly negative messaging is only one approach for reaching audiences, especially youth. There is a role for messaging that emphasises that drinking done responsibly (ie. by those of age and not harmfully) is fine and can be part of a sociable, healthy lifestyle⁷⁰.

79 At the International Rugby Sevens in 2013 and 2014 Speight's ran a successful co-branded campaign with industry-wide culture change brand *Cheers!*⁷¹ to encourage fans to pace their drinking and eat adequately to reduce the risk of intoxication. In 2013 *Cheers!* offered the first 700 visitors to the web page a voucher for a free burger from Burger Fuel and advice about how to manage drinking over the long weekend. The website received 1,700 unique visitors over the campaign period which represented a 552% increase in usual visitorship, a further 10% completed the "is my drinking normal?" survey. In 2014 the campaign was to "tackle a burger" and win tickets to the 2015 Sevens. Lion and *Cheers!* provided "water warriors" who distributed water to Sevens-goers. The six Water Warriors gave away 1,710 litres of water which means every Water Warrior poured more than a cup a minute for the duration of the 2-day event. All of these are tangible actions which brewers are committed to through their sports sponsorship and have clear benefits for fans. DB also used the Water Warriors at the Heineken Tennis Open and the Big Day Out 2014, amongst other events.

⁶⁹ http://www.tripadvisor.com.au/Attraction_Review-g255372-d1007467-Reviews-Monteith_s_Brewing_Company-Greymouth_South_Island.html

⁷⁰ <http://www.adnews.com.au/adnews/drinkwise-launches-classy-campaign-to-change-drinking-culture>

⁷¹ www.cheers.org.nz

Normalisation vs stigmatisation of alcohol

80 Attempts to address youth drinking have focused on the various factors that may play a role in shaping patterns of consumption, including the role of beverage alcohol marketing. The nature of the relationship and implications for policy are topics of considerable debate. A literature review into what influences a healthy drinking culture conducted by Research New Zealand in 2006 for the (then) ALAC found that the cultures which are most successful in preventing alcohol abuse and minimising alcohol-related harms are those that:

- Tend to view alcohol as a natural, normal part of life about which they have no ambivalence;
- Teach their young by example how to drink in moderation;
- Encourage drinking among family and friends rather than in same-gender settings;
- Discourage heavy, episodic drinking;
- Sanction negatively and promptly and unacceptable drinking behaviours;
- Respect the decision of those who choose not to drink and not pressure them to drink;
- Are free of the belief that alcohol can solve problems, signify adulthood, grant power, or confirm 'manhood'⁷²

81 The *Drinking cultures in New Zealand* report highlights the fact having a one-eyed focus on the negative aspects of our drinking culture will do nothing to promote the growth of positive behaviours. That is already abundantly clear from the past history of the regulation of alcoholic beverages in New Zealand. If we are serious about encouraging a positive drinking culture this should not mean stigmatising alcohol or eradicating it from view.

82 We agree that alcohol is not an ordinary commodity: there are numerous restrictions on what, where and by whom alcohol can be produced; how it can be labelled and what terms can be used to describe it; where, when, how, and by whom it can be sold; under which conditions and to whom it can be sold. But alcohol is normal. Beer has been part of civilisation for 7,000 years⁷³. Alcohol is a part of most of social and cultural celebratory rituals. Normalising alcohol is nothing more than recognising the fact that most New Zealanders drink alcohol, that they do so in moderation, and that such use is a natural and normal part of the lifestyle of millions of people around the world. There are many positive social, economic, tourism and cultural aspects to alcohol that are often overlooked or downplayed.

83 What is not normal is the harmful use of alcohol, including binge-drinking and underage drinking. We agree that there are occasions when the harmful use of alcohol has become normalised, and we agree this needs to be addressed. We contend that a blanket approach is neither warranted nor proven to work. We believe that penalising positive social settings and messages for the consumption of alcoholic beverages is not the appropriate course of action. The focus must be on the harmful use of alcohol, and not on stigmatising alcohol per se, and policy settings must acknowledge this.

⁷² Research New Zealand, 'A healthy drinking culture: A search and review of international and New Zealand literature: November 2006

⁷³ We acknowledge this is not the case for Maori.

Legal Considerations

84 In its considerations of the Law Commission's proposals around alcohol advertising and sponsorship, especially the recommendation of complete prohibition, we consider that thought needs also to be given to New Zealand's international trade obligations and the Bill of Rights Act 1990.

International Trade Considerations

85 Independent legal advice received has indicated that there is significant potential for further restrictions of alcohol advertising and sponsorship to contravene New Zealand's international obligations, and most notably its commitments under:

- Articles 2.1 and 2.2 of the World Trade Organisation ("WTO") Technical Barriers to Trade Agreement ("TBT Agreement"):
 - Recent TBT Committee discussions suggest that further restrictions in New Zealand for alcohol advertising and sponsorship (including labelling⁷⁴) would almost certainly come under attack if a discriminatory, unduly trade restrictive or scientifically questionable aspect of the measure's design or effect could be identified;
- Article III.4 of the WTO General Agreement on Tariffs and Trade ("GATT") :
 - Further restrictions on advertising and/or sponsorship (including labelling) may breach GATT Article III.4 if they discriminate (by design or effect) between imported products and domestic production. It may well be difficult to argue that specific further restrictions are 'necessary' to achieve its policy goals, and not in any way arbitrary;
- Articles 2.1, 3.1, 8.1, 14.2, 14.3, 14.6, 16.1, 17 and 20 of the WTO Trade-Related aspects of Intellectual Property Rights Agreement ("TRIPs Agreement"):

If New Zealand was to contemplate introducing further restrictions, it would need to take into account the limit they would have on intellectual property rights and innovation. If the restrictions would encroach on rights conferred under the TRIPs Agreement, New Zealand would need to demonstrate that the restrictions would lead to a reduction in alcohol purchasing and harmful consumption, which would ultimately protect public health, they are scientifically justified, and go no further than is needed to achieve the Government's objectives; and
- the investment protections provided in certain Free Trade Agreements ("FTAs") and Bilateral Investment Treaties ("BITs") to which New Zealand is a Party:
 - Restrictions that are not supported by credible scientific evidence and robust policy analysis may breach the fair and equitable treatment requirement, or result in the unreasonable and discriminatory impairment of an investment. Similarly, restrictions on the use of trademarks, designs and associated goodwill can amount to expropriation for which compensation must be paid.

⁷⁴ There is a labelling element to sponsorship, as many brands will include the sponsored events in special packaging or promotions, eg. Heineken and Brancott Estate products carried the 2011 Rugby World Cup logo as part of their sponsorship arrangements. This was domestically and internationally.

- 86 Restrictions are more likely to breach New Zealand's international obligations if they are:
- Discriminatory, ie. they discriminate between imports and domestic production of 'like products', either by design or by effect;
 - Unnecessary or unduly trade restrictive, ie. they are more trade restrictive than necessary to reduce the harm caused by the harmful use of alcohol;
 - Disproportionate or arbitrary, i.e. they are not scientifically justifiable or the result of a robust policy-making process; or
 - Effectively prohibiting or unjustifiably restricting the use of alcohol companies' trademarks.

Consistency with New Zealand Bill of Rights Act 1990

87 Restrictions must also be justified in accordance with the New Zealand Bill of Rights Act 1990 and pass the 'rational connection', 'minimal impairment' or 'proportionality' tests. If further advertising and sponsorship restrictions fail one or more of these tests then they are also likely to breach New Zealand's international obligations.

88 As noted in the Law Commission report⁷⁵ the Attorney-General considered a proposal for a ban on all alcohol advertising in New Zealand in 2009 when the Liquor Advertising (Television and Radio) Bill was introduced⁷⁶. The Attorney-General applied two tests: Did the provision serve an important and significant social objective? And was there a rational and proportionate connection between that objective and the provision?

89 The Attorney-General concluded that the Bill would meet the first test but fail on the second. A total ban was not a proportionate response and would be a limitation of the freedom of expression in s14 of the Bill of Rights Act. This conclusion was reached because the restriction of a total ban on advertising would be very broad in its effects, there was limited and conflicting evidence as to whether prohibition would have a significant additional positive effect in reducing alcohol abuse, and it was difficult to determine whether prohibition would be more effective than restrictions that target particular content.

Conclusion

90 We contend that five years later there remains no compelling evidence that would conclude that a total ban on alcohol advertising and sponsorship was a proportionate response to meet the policy objective. It has been clearly demonstrated through international experience that advertising and sponsorship bans are ineffective in achieving their intended public health outcomes of reducing harmful consumption. Connections between exposure to alcohol advertising and sponsorship remain inconclusive, modest, and insufficient to justify such a measure, especially in the context of trends in harmful drinking and youth drinking continuing to decline. Instead, clear and proportionate rules for appropriate alcohol advertising and sponsorship that support moderate

⁷⁵ *Alcohol in our lives: curbing the harm: A Report on the Review of the Regulatory Framework for the Sale and Supply of Liquor*, Law Commission, April 2010, para 19.184-19.191, page 360-361

⁷⁶ *Report of the Attorney-General under the New Zealand Bill of Rights Act 1990 on the Liquor Advertising (Television and Radio) Bill*, presented to the House of Representatives pursuant to Section 7 of the New Zealand Bill of Rights Act, published 2009

consumption are needed. Furthermore, suggestions to adopt a tobacco-style approach to alcohol advertising and sponsorship confuse the policy objective between tobacco and alcohol. The intention is not to cease and eradicate all alcohol consumption, like it is with tobacco, but to encourage moderate, non-harmful drinking patterns.

91 If the Forum were to propose altering the present arrangements among the various regulators (industry and government) of advertising and sponsorship and thereby increase the scope and severity of regulation, it would do so in the absence of compelling supporting evidence. Indeed, the evidence from numerous theoretical and empirical studies strongly indicates that advertising is a basic tool of competition in a mature advertising market such as alcohol. Like nearly all forms of competition, the final result is to the benefit of consumers. Add to that the fact that if further restrictions were imposed it could lead to unintended consequences, such as deeper price competitive behaviour (as the only route to market), plus the financial implications on sponsored entities that have lost that revenue stream. It would also be doing so in the face of a declining trend in alcohol consumption (total and harmful) that indicates that targeted interventions and education would be a more appropriate and proportionate focus than such a blunt approach.

92 Alcohol advertising and sponsorship are already effectively governed by a comprehensive system of co-regulation through the ASA Code for Advertising and Promotion of Alcohol 2013, the Sale and Supply of Alcohol Act 2012, and the BSA Codes of Practice for Free-to-Air and Pay television. These ensure that advertising is appropriately targeted and does not encourage irresponsible associations or content. On a final note, we urge the Forum to give due weight and consideration to all the evidence. As Dr David Hanson, Professor Emeritus of Sociology at the State University of New York commented the “subject of alcohol advertising effectiveness tends to be dominated by strong beliefs and emotions instead of scientific evidence”⁷⁷. It is a complex and complicated debate.

⁷⁷ <http://www2.potsdam.edu/alcohol/Advertising.html#U1hocstWFMs>

Questions from the Submission template

1. *Did you/your group/your organisation make a submission on the 2010 Law Commission report Alcohol in our Lives: Curbing the Harm and/or to the Justice and Electoral select committee, on alcohol advertising and sponsorship issues? **Yes***
 - Yes
2. *Do you support further restrictions on **alcohol advertising** (over and above the measures currently undertaken) to reduce alcohol-related harm? **Yes or No.***
 - No
3. *What reasons do you have for your view? Please include details.*
 - See attached submission for full response
 - The balance of evidence does not support a direct causal relationship between alcohol advertising and sponsorship and drinking levels or harmful drinking patterns;
 - Hazardous drinking rates are in decline: youth in New Zealand are drinking later, there are fewer drinkers, they are drinking less often, and binge drinking is in steep decline;
 - Marketing is but one of many factors that influence consumer attitudes and drinking behaviors. Studies have shown that the principal influences on youth drinking are parents and peers;
 - Alcohol advertising and sponsorship in New Zealand is already governed by a robust, co-regulated regime in line with international best practice;
 - Removal of alcohol industry advertising and sponsorship would have not just economic and community consequences, but could also adversely affect the advertising and media industries, moderate consumers, price discounting, SMEs, innovation, tourism, and freedom of speech;
 - Further restrictions could potentially be in breach of the New Zealand Bill of Rights Act 1990 and WTO and other international trade obligations;
 - The advertising and promotion restrictions under the Sale and Supply of Alcohol Act 2012 must be given time to take effect.
4. *What evidence is available to support your view (please cite references if available, or provide supporting information). Please focus on evidence since 2010 if this is available.*
 - Please refer to attached submission for full response, in particular paras 33-53; 77-79
5. *Do you think the available evidence is strong enough for changes to be made now? Explain your reasons.*
 - No, We contend that five years later there remains no compelling evidence that would conclude that a total ban on alcohol advertising and sponsorship was a proportionate response to meet the policy objective. It has been clearly demonstrated through international experience that advertising and sponsorship bans are ineffective in achieving

their intended public health outcomes of reducing harmful consumption. Connections between exposure to alcohol advertising and sponsorship remain inconclusive, modest, and insufficient to justify such a measure, especially in the context of trends in harmful drinking and youth drinking continuing to decline. Instead, clear and proportionate rules for appropriate alcohol advertising and sponsorship that support moderate consumption are needed.

- If the Forum were to propose altering the present arrangements among the various regulators (industry and government) of advertising and sponsorship and thereby increase the scope and severity of regulation, it would do so in the absence of compelling supporting evidence. Indeed, the evidence from numerous theoretical and empirical studies strongly indicates that advertising is a basic tool of competition in a mature advertising market such as alcohol. Like nearly all forms of competition, the final result is to the benefit of consumers. Add to that the fact that if further restrictions were imposed it could lead to unintended consequences, such as deeper price competitive behaviour (as the only route to market), plus the financial implications on sponsored entities that have lost that revenue stream. It would also be doing so in the face of a declining trend in alcohol consumption (total and harmful) that indicates that targeted interventions and education would be a more appropriate and proportionate focus than such a blunt approach.
- Alcohol advertising and sponsorship are already effectively governed by a comprehensive system of co-regulation through the ASA Code for Advertising and Promotion of Alcohol 2013, the Sale and Supply of Alcohol Act 2012, and the BSA Codes of Practice for Free-to-Air and Pay television. These ensure that advertising is appropriately targeted and does not encourage irresponsible associations or content.

6. *Do you support further restrictions on **alcohol sponsorship** to reduce alcohol-related harm? Yes or No.*

- *No*

7. *What reasons do you have for your view? Please include details.*

- See attached submission for full response, in particular para 33-79

8. *What evidence is available to support your view (please cite references if available, or provide supporting information). Please focus on evidence since 2010 if this is available.*

- See attached submission for full response, in particular para 33-79

9. *Do you think the available evidence is strong enough for changes to be made now? Explain your reasons.*

- No, we contend that five years later there remains no compelling evidence that would conclude that a total ban on alcohol advertising and sponsorship was a proportionate response to meet the policy objective. It has been clearly demonstrated through international experience that advertising and sponsorship bans are ineffective in achieving

their intended public health outcomes of reducing harmful consumption. Connections between exposure to alcohol advertising and sponsorship remain inconclusive, modest, and insufficient to justify such a measure, especially in the context of trends in harmful drinking and youth drinking continuing to decline. Instead, clear and proportionate rules for appropriate alcohol advertising and sponsorship that support moderate consumption are needed.

Types of possible restrictions (if supported)

10. *If further restrictions to **alcohol advertising** are necessary, what do you think should be done?*
 - n/a
11. *How would these proposed restrictions work in practice to reduce alcohol-related harm (e.g. crime, disorder, negative public health outcomes)?*
 - The balance of evidence does not support a direct causal relationship between alcohol advertising and sponsorship and drinking levels or harmful drinking patterns. Marketing is just one factor amongst many, so any assertion that further advertising or sponsorship restrictions would have a direct bearing on alcohol-related harm such as crime, disorder, or negative public health outcomes, would have to be treated with caution.
12. *What evidence is available that your proposal(s) would work?*
 - n/a
13. *What other interventions could potentially be tried in future?*
 - n/a
14. *Why should these other interventions be considered?*
 - n/a
15. *If further restrictions to **alcohol sponsorship** are necessary, what do you think should be done?*
 - n/a
16. *How would these proposed restrictions work in practice to reduce alcohol-related harm (e.g. crime, disorder, negative public health outcomes)?*
 - The balance of evidence does not support a direct causal relationship between alcohol advertising and sponsorship and drinking levels or harmful drinking patterns. Marketing is just one factor amongst many, so any assertion that further advertising or sponsorship restrictions would have a direct bearing on alcohol-related harm such as crime, disorder, or negative public health outcomes, would have to be treated with extreme caution.
17. *What evidence is available that your proposal(s) would work?*

- n/a

18. *What other interventions could potentially be tried in future?*

- n/a

19. *Why should these other interventions be considered?*

- n/a

Impacts of proposals

20. *Who would be affected by your proposals to restrict **alcohol advertising** and how?*

- See attached submission for full response
- Moderate consumers (the majority of New Zealand drinkers)
- The advertising and media industries.
- This would have a multiplier effect across the wider communications sector, across creative agencies, design agencies, printing agencies, and their suppliers etc
- Sponsored entities, including sports codes and teams (rugby, cricket, golf, bowls, tennis etc), clubrooms (sports, RSAs, bridge, etc), arts groups, cultural groups, festivals (film, arts, cultural, sporting), culture (New Zealand Ballet, Opera, WOW, etc) [*this is a non-exhaustive list*]
- The alcohol industry – erosion of marketing rights would inevitably lead to greater price discounting as the only means that brands can compete and differentiate. Product innovation could be stifled.
- SMEs – it will be harder for new alcohol businesses to reach consumers and educate the market about their product.

21. *How might these proposals impact on:*

- *alcohol consumption, particularly among young drinkers and heavy drinkers;*
- *the perception of alcohol as an everyday commodity, particularly among children and young people;*
- *alcohol-related harm;*
- *businesses, such as the alcohol and advertising industries;*
- *the recipients of alcohol sponsorship funds; and*
- *different populations – e.g. youth, children, Māori, Pasifika, lower socio-economic populations.*

- See attached submission for full response

22. *Who would be affected by your proposals to restrict **alcohol sponsorship** and how?*

- See attached submission for full response

23. *How might these proposals impact on:*

- *alcohol consumption, particularly among young drinkers and heavy drinkers;*

- *the perception of alcohol as an everyday commodity, particularly among children and young people;*
- *alcohol-related harm;*
- *businesses, such as the alcohol and advertising industries;*
- *the recipients of alcohol sponsorship funds; and*
- *different populations – e.g. youth, children, Māori, Pasifika, lower socio-economic populations.*

➤ See attached submission for full response

Ongoing and new challenges

24. *What ongoing and emerging challenges does the Forum need to take into account when considering whether further restrictions on **alcohol advertising** are necessary to reduce alcohol-related harm?*

➤ If further restrictions are proposed they need to result in a balanced playing field with international media to ensure they do not unduly prejudice New Zealand based businesses. This would bring in international trade considerations for New Zealand businesses.

25. *What action, if any, could be taken to address these matters?*

➤ Further consultation and cross-agency analysis if further restrictions are proposed to ensure all relevant matters are taken into consideration.

26. *What ongoing and emerging challenges does the Forum need to take into account when considering whether further restrictions on **alcohol sponsorship** (e.g. of sporting, cultural and other events) are necessary to reduce alcohol-related harm?*

➤ If further restrictions are proposed they need to result in a balanced playing field with international media to ensure they do not unduly prejudice New Zealand based businesses. This would bring in international trade considerations for New Zealand businesses.

27. *What action, if any, could be taken to address these matters?*

➤ Further consultation and cross-agency analysis if further restrictions are proposed to ensure all relevant matters are taken into consideration.

Other comments

28. *Do you have any other comments?*

➤ no



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23/04/2014 03:54 p.m.

Subject: Submission to Forum on Alcohol Advertising and Sponsorship

23 Apr. 14
Three Attachments

The Brewers' Guild of New Zealand would like the Ministerial Forum on Alcohol Advertising and Sponsorship to consider this document as a submission on the Consultation on Alcohol Advertising and Sponsorship.

As the organisation representing the majority of breweries in New Zealand, we have found it difficult to comply with the submission requirements as outlined in the downloadable submission form from the website

<http://www.health.govt.nz/publication/consultation-alcohol-advertising-and-sponsorship>

The Guild's major concerns on the submission process are outlined in the attached letter that was sent to the Forum on 15th April 2014.

The Guild firmly believe that input from the industry should be an important part of this consultation process but that the forum is geared towards submissions that are solely in favour of increased restrictions to alcohol advertising and sponsorship.

The Guild is not "anti-restriction", as shown, for example, in the following extract from the Guild's submission on the Law Commission document "Alcohol in Our Lives - An Issues Paper on the Reform of New Zealand Liquor Laws" which indicates that the Guild considers that restrictions on some forms of alcohol advertising may be beneficial to the promoting a socially acceptable approach to alcohol consumption in New Zealand.

(Question 22) The Brewers Guild supports initiatives and policy that encourages safe and sensible drinking and, as such, The Brewers Guild believe that restriction on alcohol marketing especially in the "broad distribution" mediums of television, radio and newspaper will to some extent alleviate problems associated with alcohol being used as a "loss leader" or attractant for consumers.

However, the Guild would also consider that restrictions on some forms or advertising and sponsorship may be detrimental. As a simple example, a significant number of our brewery members donate product to non-profit and charitable organisations without the requirement for significant acknowledgement. These types of donation and charity acts are not unique to the brewing industry and are part of everyday charitable acts by industry that help support as examples, sports, schools and arts etc.

The Guild feels however, that the current forum does not allow for the adequate consideration of any positive aspects of advertising or sponsorship to be debated in a fair and representative manner.

The Brewers' Guild of New Zealand would like this letter and the two attached documents to be considered as a submission to Ministerial Forum on Alcohol Advertising and Sponsorship. However, we would also like to be given further opportunity engage with the Forum.

Ralph Bungard
President
Brewers' Guild of New Zealand
021615688
www.brewersguild.org.nz



Brewers Guild Submission on Alcohol Law Reform Oct 2009.doc



Email to Forum from Guild re online submission template 15 April 2014.docx



Submission to the Alcohol Advertising and Sponsorship Forum.docx

Making a submission

Submissions close on **Monday 28 April 2014 at 5pm.**

- If you would like further information during the submission period please email alcoholadvertisingforum@moh.govt.nz and put 'Forum information' in the subject line.

Please detach and return.

Name:	
If this submission is made on behalf of an organisation, please name that organisation here:	Burnside Rugby Football Club Inc
Address/email:	
Please provide a brief description of your organisation (if applicable):	A rugby club that caters in the winter for 6 open grade teams and 29 junior teams. During the summer the Club has a Touch module that has over 200 teams (2300 players). We also have a Golden Oldies team and a joggers/walkers section

There are two ways you can make a submission.

- Forward your comments, with the detachable submission form at the back of this document, to:
 Nick Goodwin
 Secretariat for Ministerial Forum on Alcohol Advertising & Sponsorship
 Ministry of Health
 PO Box 5013
 Wellington 6145
- Electronically complete the submission form available at the back of this document, add your comments and email to:
alcoholadvertisingforum@moh.govt.nz
- Please put 'Forum Submission' in the subject line.

Your submission may be requested under the Official Information Act 1982. If this happens, it will normally be released to the person who requested it. However, if you are submitting as an individual (rather than representing an organisation), your personal details will be removed from the submission if you check the following boxes:

- I do not give permission for my personal details to be released under the Official Information Act 1982.
- I do not give permission for my name to be listed in the published summary of submissions.

Questions to guide your submission

1. Did you/your group/your organisation make a submission on the 2010 Law Commission report *Alcohol in our Lives: Curbing the Harm* and/or to the Justice and Electoral select committee, on alcohol advertising and sponsorship issues? **Yes or No.** If yes, please specify whether you submitted to the Law Commission and/or Select Committee.

No

2. Do you support further restrictions on **alcohol advertising** (over and above the measures currently undertaken) to reduce alcohol-related harm? **Yes or No.** [Tick box]

No

3. What reasons do you have for your view? Please include details.

We believe that the status quo should remain. The reasons for this are as follows:

1. We have seen no evidence to suggest that alcohol advertising is the cause of alcohol related issues in society.
2. We believe that removing alcohol advertising from clubs such as ours, would have the greatest negative impact on the very segment of society that are most effected. Commercial sponsorship is often the only way that many sports and other clubs are able to continue to operate and offer the range of services that we do at such a reasonable subscription cost.

4. What evidence is available to support your view (please cite references if available, or provide supporting information). Please focus on evidence since 2010 if this is available.

Recent decreases in support from breweries has meant that our club have had to increase subs to players, which has had the effect of creating additional hardship for those members of our club who benefit the most, evidenced by the difficulty all clubs have in getting subs in from players in a timely manner.

5. Do you think the available evidence is strong enough for changes to be made now? Explain your reasons.

No. We believe the status quo should remain as it helps clubs such as ours to continue to provide a valuable community service.

6. Do you support further restrictions on **alcohol sponsorship** to reduce alcohol-related harm? **Yes or No.** *[Tick box]*

Yes

No

7. What reasons do you have for your view? Please include details.

We believe that the status quo should remain. The reasons for this are as follows:

1. We have seen no evidence to suggest that alcohol sponsorship is the cause of alcohol related issues in society.
2. We believe that removing alcohol sponsorship, in particular from clubs such as ours, would have the greatest negative impact on the very segment of society that are most effected. Commercial sponsorship is often the only way that many sports and other clubs are able to continue to operate and offer the range of services that we do at such a reasonable subscription cost.

8. What evidence is available to support your view (please cite references if available, or provide supporting information). Please focus on evidence since 2010 if this is available.

Recent decreases in sponsorship from breweries has meant that our club have had to increase subs to players, which has had the effect of creating additional hardship for those members of our club who benefit the most, evidenced by the difficulty all clubs have in getting subs in from players in a timely manner.

9. Do you think the available evidence is strong enough for changes to be made now? Explain your reasons.

No. We believe the status quo should remain as it helps clubs such as ours to continue to provide a valuable community service.

Types of possible restrictions (if supported)

10. If further restrictions to **alcohol advertising** are necessary, what do you think should be done?

N/A

11. How would these proposed restrictions work in practice to reduce alcohol-related harm (e.g. crime, disorder, negative public health outcomes)?

N/A

12. What evidence is available that your proposal(s) would work?

N/A

13. What other interventions could potentially be tried in future?

N/A

14. Why should these other interventions be considered?

N/A

15. If further restrictions to **alcohol sponsorship** are necessary, what do you think should be done?

N/A

16. How would these proposed restrictions work in practice to reduce alcohol-related harm (e.g. crime, disorder, negative public health outcomes)?

N/A

17. What evidence is available that your proposal(s) would work?

N/A

18. What other interventions could potentially be tried in future?

N/A

19. Why should these other interventions be considered?

N/A

Impacts of proposals

20. Who would be affected by your proposals to restrict **alcohol advertising** and how?

N/A

21. How might these proposals impact on:
- alcohol consumption, particularly among young drinkers and heavy drinkers;
 - the perception of alcohol as an everyday commodity, particularly among children and young people;
 - alcohol-related harm;
 - businesses, such as the alcohol and advertising industries;
 - the recipients of alcohol sponsorship funds; and
 - different populations – e.g. youth, children, Māori, Pasifika, lower socio-economic populations.

N/A

22. Who would be affected by your proposals to restrict **alcohol sponsorship** and how?

N/A

23. How might these proposals impact on:

- alcohol consumption, particularly among young drinkers and heavy drinkers;
- the perception of alcohol as an everyday commodity, particularly among children and young people;
- alcohol-related harm;
- businesses, such as the alcohol and advertising industries;
- the recipients of alcohol sponsorship funds; and
- different populations – e.g. youth, children, Māori, Pasifika, lower socio-economic populations.

N/A

Ongoing and new challenges

24. What ongoing and emerging challenges does the Forum need to take into account when considering whether further restrictions on **alcohol advertising** are necessary to reduce alcohol-related harm?

To avoid the promotion of a binge drinking culture.

25. What action, if any, could be taken to address these matters?

To ensure any liquor advertising requires the promotion of responsible consumption.

26. What ongoing and emerging challenges does the Forum need to take into account when considering whether further restrictions on **alcohol sponsorship** (e.g. of sporting, cultural and other events) are necessary to reduce alcohol-related harm?

N/A

27. What action, if any, could be taken to address these matters?

N/A

Other comments

28. Do you have any other comments?

It is the strongly held belief of the Bayside PEC that the status quo should remain. To lose such a valuable source of funding would have a hugely detrimental effect on the very community any changes in the legislation is trying to protect. Further, our Club strongly believes that the current liquor licensing laws etc should be strictly enforced and the Club should be held fully accountable for any breeches of these laws on our premises.



Communication Agencies Association

Submission to
Ministerial Forum on Alcohol Advertising and
Sponsorship

From the
Communication Agencies Association of
New Zealand (CAANZ)

April 2014

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1.0 Introduction

- 1.1 This submission is from the Communication Agencies Association of New Zealand (CAANZ), 60 Parnell Road, Auckland (www.caanz.co.nz.) The contact person is Paul Head, Chief Executive: email paul@caanz.co.nz - phone (021) 574 062.

2.0 Executive Summary

- 2.1 CAANZ supports unequivocally the Sale and Supply of Alcohol Act 2012 and its intentions.
- 2.2 However, we are strongly opposed to any further restrictions being placed on alcohol advertising and sponsorship as we believe there is no evidence to support such a ban and any ban will not advance the objectives of the Act, and may in fact work against them.
- 2.3 CAANZ is a member of the Advertising Standards Authority (ASA). It believes the principles underpinning ASA's codes of advertising practice are unequivocal and unambiguous, representing a sensible and workable balance between the need to protect consumers and the right of advertisers to freely communicate their products and services. It believes industry self-regulation is the most effective and responsive method for preventing misleading, offensive or otherwise inappropriate advertising.
- 2.4 CAANZ believes that, in the case of alcohol products, the newly established co-regulatory alcohol advertising regime, including the Sale & Supply of Alcohol Act and supported by the Advertising Standards Authority's Codes and industry pre-vetting provides a framework which protects consumers through the imposition of sensible codes of practice supported by a complaints process, while allowing alcohol advertisers to communicate responsibly to consumers.
- 2.5 The Law Commission in its 2010 report states that it believes there is evidence that links advertising to increased consumption of alcohol. However, we believe this statement reflected more the **weight of submissions** from anti-alcohol lobbies rather than any piece of incontrovertible or even convincing proof.
- 2.6 The terms of reference for this forum have specific reference to evidence or research that is new since 2010. We believe the **weight of evidence** since 2010 (and prior) disproves the links that the Law Commission alluded to.
- 2.7 The Forum's terms of reference include an assessment of options for further restrictions on alcohol advertising and sponsorship and should include the likely effect of any changes on alcohol consumption, particularly among young drinkers and heavy drinkers. The focus of this submission is on providing evidence since 2010. However, as an opening comment it is important to point out that international evidence prior to 2010 draws only very tenuous links between advertising and alcohol consumption.
- 2.8 Perhaps more importantly, the international evidence prior to 2010 from jurisdictions where alcohol advertising has been restricted or banned is, in our view, unequivocal; advertising bans and restrictions do not lead to reduced harm from alcohol. These

cases will no doubt be available to the Forum as part of background documents and submissions to the Law Commission and Select Committee.

- 2.9 Based on 27 years of New Zealand specific data provided by the Foundation for Advertising Research (FAR) and going back to 1987, there is no correlation between alcohol ad spend and alcohol consumption in this country. In fact an inverse correlation almost exists. The data shows that alcohol consumption per person was higher when there was a total ban on broadcast advertising of alcohol products prior to 1992. Alcohol consumption in all five years prior to 1992 is higher than in any of the following 22 years (see 7.2 below).
- 2.10 We maintain that the purpose of alcohol advertising is to influence brand choice, not to increase per occasion or total consumption. The effect of the investment in brands over the past two decades has been to de-commoditise alcohol to a very real degree and increase the average unit price.
- 2.11 Unintended consequences from any restriction or ban would likely include an increase in alcohol consumption as brand owners move away from brand building and innovation to competing on price. This could lead to the commoditisation of alcohol, or at least to lower prices, something that is obviously not in the best interests of those most at risk of harm from alcohol, or of society more broadly.
- 2.12 Restricting or banning alcohol advertising would also have significant economic consequences for the advertising industry, one of New Zealand's most important creative industries. Consequences would include significant job losses, reduced revenue for the industry and the potential closure of some agencies, as well as reduced tax revenue for the government. Job losses would also be likely in industries that support the ad industry, most notably film production and related sectors.
- 2.13 The industry already has an effective self-regulatory model in the form of the ASA. Complaints to the ASA about alcohol advertising have declined in recent years. (see 14.1 below)
- 2.14 The empirical evidence supporting a ban on advertising as a means of minimising the harm caused by the excessive or inappropriate consumption of alcohol is, at best, very weak, and could be non-existent. We believe any rational analysis of the facts will lead to a similar conclusion.

3.0 About the Communication Agencies Association of New Zealand

- 3.1 CAANZ is an incorporated body representing the interests of members on issues affecting the advertising industry and agencies. There are 90 member agencies, which collectively represent 90 percent of agency billings in New Zealand, with a combined turnover well in excess of \$1 billion.
- 3.2 CAANZ is an expert in the field of advertising and it is an advocate for the important role advertising plays in any modern consumer society. We acknowledge the influence of advertising as a change agent in society and the need for ethical behaviour to govern the execution of that influence.
- 3.3 Approximately 1,600 people are employed in New Zealand advertising agencies. Advertising activity contributes to the employment of approximately 10,000 people in the publishing, radio and television industries.
- 3.4 Advertising plays an important role in the New Zealand economy. Advertising informs consumers about the range of goods and services available in the market place. Without such information, it would be difficult to discern between products or decide when to buy and what is available at a particular price point.
- 3.5 CAANZ is an active member of the ASA and strongly supports the ASA's Code for Advertising and Promotion of Alcohol. The four guiding principles of the Code are:
- Alcohol advertising and promotions shall observe a high standard of social responsibility. The Code gives clear guidelines as to what is meant by social responsibility. It includes:
 - No linkages with daring, aggressive, unruly, irresponsible or antisocial behaviour, or to tobacco, illicit drugs or substances such as glue, petrol, explosives and weapons.
 - While advertising can be part of a friendly social environment, it cannot be depicted as essential to a better more attractive lifestyle.
 - It cannot suggest that alcohol consumption will lead to sexual, social, sporting or business success or popularity.
 - Advertising cannot suggest alcohol relaxes or has therapeutic benefits.
 - Alcohol advertising and promotions should be consistent with the need for responsibility and moderation in consumption.
 - Alcohol advertising placement and content should not be directed at minors nor have strong or evident appeal to minors in particular.
 - Sponsorship should focus on the individual, team, activity or event being sponsored – not on the sponsoring organisation.
- 3.6 A member of the ASA, CAANZ has been closely involved with several reviews of alcohol advertising in recent years, including:

- 1998 review chaired by Sir Ian Barker.
 - 2003 review chaired by Sir Michael Hardie-Boys
 - 2010 review chaired by Hon Sir Bruce Robertson
- 3.7 CAANZ also submitted to both the 2010 Law Commission Report *Alcohol in our Lives: Curbing the Harm* and to the subsequent Justice and Electoral select committee on alcohol and advertising issues.
- 3.8 CAANZ promulgates (and enforces) an industry *Code of Ethics, Practices and Obligations* which all members adhere to. The code includes the following section;

SUPPORT OF SOCIETY, CONSUMERS AND SELF REGULATION

- *CAANZ members recognise an obligation to create communications that are consistent with the laws of New Zealand, and/or any international treaties and agreements undertaken by the Government of New Zealand, relating to the social, economic and environmental principles of sustainable development.*
- *CAANZ members recognise that consumers are entitled to rely on our member agencies to operate not only within the law and within the letter and spirit of global, national and sectoral codes of practice, but also within accepted ethical norms.*
- *CAANZ supports the principle of self-regulation and a portion of members' fees are allocated each year to the Advertising Standards Authority, on behalf of all members. Members agree to support both the spirit and the letter of various codes and guidelines that are developed and administered by the ASA.*
- *CAANZ members are also expected to take their turn, when asked, to provide volunteer personnel to serve on the self-regulatory committees of the ASA.*

Breach of the *Code of Ethics, Practices and Obligations* can lead to a member's suspension of expulsion from the Association

4.0 The Policy Intent of the Sale and Supply of Alcohol Act 2012

4.1 CAANZ is in total support of the Sale and Supply of Alcohol Act 2012 which acted as the genesis for this Forum.

4.2 It would be difficult to find anyone disagreeing with s4 (1) of the Act. It reads:

Object¹

(1) The object of this Act is that –

(a) the sale, supply, and consumption of alcohol should be undertaken safely and responsibly; and

(b) the harm caused by the excessive or inappropriate consumption of alcohol should be minimised.

4.3 In terms of advertising, CAANZ submits the evidence shows that the self- regulatory advertising regime concerning the sale, supply, and consumption of alcohol is being undertaken safely and responsibly, and there is no compelling empirical evidence to suggest that a ban on alcohol advertising would minimise the harm caused by the excessive or inappropriate consumption of alcohol.

4.4 The Act came into effect on 18 December 2013. We believe it is premature in the extreme to conclude that, after such a short time, the legislation was not delivering on its objectives and that further measures should be introduced as a result. The Act should be given time to demonstrate its effectiveness. **(Recent indications are that the Act is already having an impact on curbing alcohol related harm – see 8.9 below)**

¹ S4(1)(b) Sale and Supply of Alcohol Act 2012

5.0 Alcohol Advertising in New Zealand – the Facts

- 5.1 Total New Zealand advertising turnover in 2013 was \$2.3 billion². Total New Zealand alcohol advertising was an estimated \$56 million or approximately 2 percent of total advertising turnover.³
- 5.2 As a category, alcohol rates as only the 18th most advertised category, making it a reasonably insignificant part of the advertising most people are exposed to.

Advertising Category Ranking – Calendar Year 2013 (Source Nielsen)⁴

Category	% total media of Spend
Retail	12%
Leisure, Entertainment	11%
Foodstuffs	10%
Automotive	9%
Government Departments, Services & Community	7%
Investment, Finance, Banking	5%
Toiletries/Cosmetics	5%
Pharmaceuticals, Health	4%
Home Improvements	4%
Household Electrical Products	4%
Telecommunication	4%
Travel	4%
Insurance	3%
Computers	2%
Household Furnishings	2%
Clothing	2%
Real Estate	2%
Alcohol ONLY- Beverages	2%

- 5.3 Alcohol advertising is already highly regulated. The ASA Code for Advertising and Promotion of Alcohol is the only Code that extends beyond advertising to include naming, labelling, sponsorship and promotion. The Code requires a high standard of social responsibility, a higher standard than most ASA Codes.
- 5.4 Alcohol advertisements cannot be shown on television between 6am and 8.30pm (Between 8.30pm and 6am is normally considered adult viewing time). Television

² Advertising Standards Authority 2013 annual report.

³ Nielsen Data

⁴ Ibid

advertising for alcohol brands cannot exceed six minutes per hour and there shall be no more than two advertisements for alcohol in a single commercial break. 4

- 5.5 Alcohol branded merchandise, point of sale materials and other promotions must not be available in unrestricted areas at events or activities where more than 25 percent of the expected audience is minors. Websites providing online retail sale of alcohol products require purchasers to certify they are 18 years of age and older.⁵
- 5.6 Those advocating for a ban on alcohol advertising paint a picture of consumers of all ages being bombarded with advertisements for alcohol incessantly day and night. The reality is quite different. Alcohol advertising is only a minor part of total advertising and, with respect to television advertising, the largest medium, it is confined to normal adult viewing times.

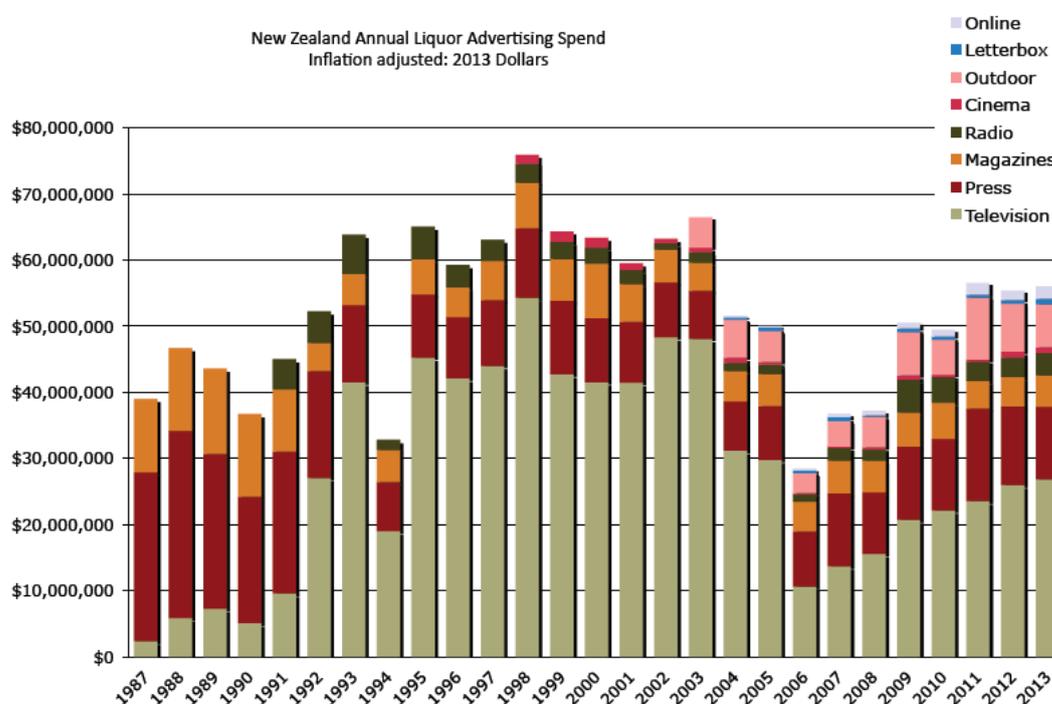
6.0 The Role of Advertising and Brands in a Mature Market

- 6.1 The purpose of advertising in a mature market such as alcohol in New Zealand is to drive a “brand shift” not to increase total consumption. Advertising does not aim to increase total consumption of liquor products. Advertising is largely intended to drive or shift consumer brand preference (i.e. from Heineken to Steinlager) or move consumers from a “low” brand point to a “higher” brand point product (i.e. Export Gold to Heineken).
- 6.2 Evidence indicates that while advertising does not increase overall consumption of alcoholic beverages, it does have a measurable impact on market share for brands and substitution between brands.
- 6.3 That being said, CAANZ acknowledges that the industry (i.e. agencies, media owners and advertisers) has a proportional role to play in developing a more moderate drinking environment in New Zealand. It is the basic attitudes to alcohol use that will have to change before the rate of harm from alcohol can be addressed. This will not be adequately addressed by advertising bans, blunt restrictions and regulation but by a better understanding of the importance of moderate drinking habits

7.0 No Relationship Between Alcohol Advertising and Consumption in New Zealand

7.1 There is no correlation between alcohol ad spend and consumption in New Zealand. Over the past 27 years both ad spend and consumption have varied widely but independently of each other – indeed 1998 was the year of the highest ad spend and lowest consumption. This is one a key conclusions from an annual analysis of alcohol ad spend and consumption in New Zealand undertaken by the Foundation for Advertising Research. The data goes back 27 years to 1987 and records Nielsen alcohol Ad spend and NZ Statistics per capita alcohol consumption of persons 15+. Prior to 1 February 1992 there was a de facto ban on radio and television advertising.

Media Share of Ad Spend⁵



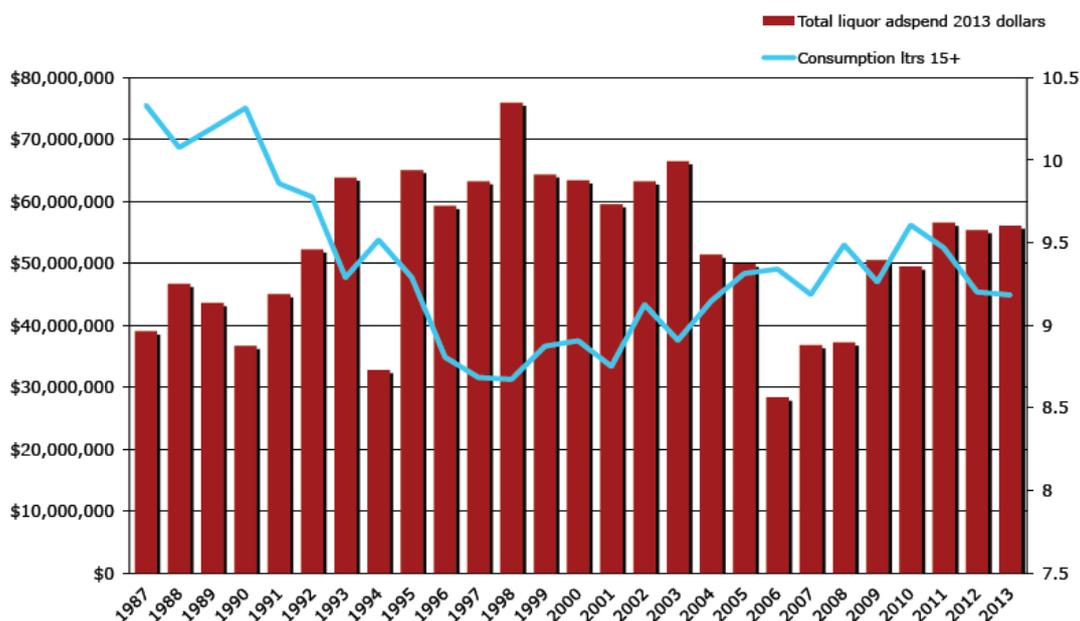
Ad Spend and Consumption⁶

7.2 Consumption has also fluctuated considerably as shown on the graph on the next page. In 1987 per capita consumption for persons 15+ was 10.33 litres. In 2013 it was 9.8% less at 9.183 litres. The low point was 1998 when only 8.672 litres was consumed – the year of the greatest ad spend.

⁵ Alert, the information bulletin of the Foundation for Advertising Research, pub. March 19, 2014

⁶ Ibid

**New Zealand Annual Liquor Advertising Spend in 2013 dollars
with Per Capita Consumption 15+**



- 7.3 The long-term trend in consumption is remarkable. In 1990 the per capita consumption was 10.316 litres. This was followed by a steep decline over the following eight years to 1998 when it reached the low point. It was during this same period ad spend increased substantially.
- 7.4 From 1998 to 2006 consumption gradually increased but at the same time ad spend decreased. Since that time ad spend has gradually increased while consumption has fluctuated up and down. It can be argued there is a tendency towards an inverse correlation – indeed using correlation methodology there has been a correlation coefficient of -0.66 over the past few years. However a more conservative approach is that the graph reveals no correlation.
- 7.5 The graph makes it clear that the ban on alcohol ads in the broadcast media prior to 1992 had no effect on consumption.
- 7.6 We believe that this rebuts the argument that alcohol advertising increases consumption. To argue otherwise is simply not supported by the New Zealand specific data over nearly three decades.
- 7.7 It is also worth noting that in *the ALAC Alcohol Monitor – Adults and Youth 2009-10 Drinking Behaviours Report, 2011* the document states that “The majority (84 percent) of adults 18 years or older who were interviewed in 2009-10 reported that they drink alcohol to some extent. This is significantly lower than the proportion of adults who were defined as “Drinkers” in 2008-09 (87 percent)”.⁷

⁷ ALAC Alcohol Monitor – Adults and Youth 2009-10 Drinking Behaviours Report, 2011

8.0 New Zealand Specific Evidence Relating to the Young

8.1 In any discussion around alcohol it is obviously important to address the issue of young people drinking. A key concern related to alcohol harm is quite rightly the impact on the young. However, we believe the evidence demonstrates significant change since the 2010 Law Commission report was published. In the data below we look at the following areas;

- The age of initiation of drinking of 12-17 year olds
- The proportion of young people drinking
- Binge drinking by youth
- Frequency of drinking by youth

8.2 The age of initiation of drinking by youth 12-17

Before it was absorbed into the Health Promotion Agency (HPA) ALAC published a Monitor that recorded various trends relating to alcohol consumption. The last Monitor was published in 2011. The following trend tables have been constructed using the data from the 2011 Monitor and previous Monitors.

The age of initiation ⁸

2004/5 - 13.8 years of age
2005/6 - 13.9 years of age
2006/7 - 13.8 years of age
2007/8 - 14.1 years of age
2008/9 - 14.3 years of age
2009/10 - 14.6 years of age

Source: ALAC

There has been a statistically meaningful and substantial change in the age of initiation with youth delaying commencing drinking. This is particularly so with younger persons. In 2006/7 20% of drinkers 12 and younger had achieved initiation. In 2009/10 it was 5%.

Health lobbyists sometimes argue that advertising incentivizes youth to drink at a younger age. This assertion is not supported by the ALAC data above.

8.3 Youth Drinkers and Non-Drinkers⁹

In 2009/10 32% of youth 12-17 were drinkers and 68% were non-drinkers.

	2005/6	2006/7	2007/8	2008/9	2009/10
	%	%	%	%	%
<u>Non-Drinkers</u>	47	48	48	50	68
<u>Drinkers</u>	53	52	52	50	32

Source: ALAC

There has been a dramatic change. Up to 2009 there was little change in the number of non-drinkers. However in the 2009/10 year the number of drinkers reduced from

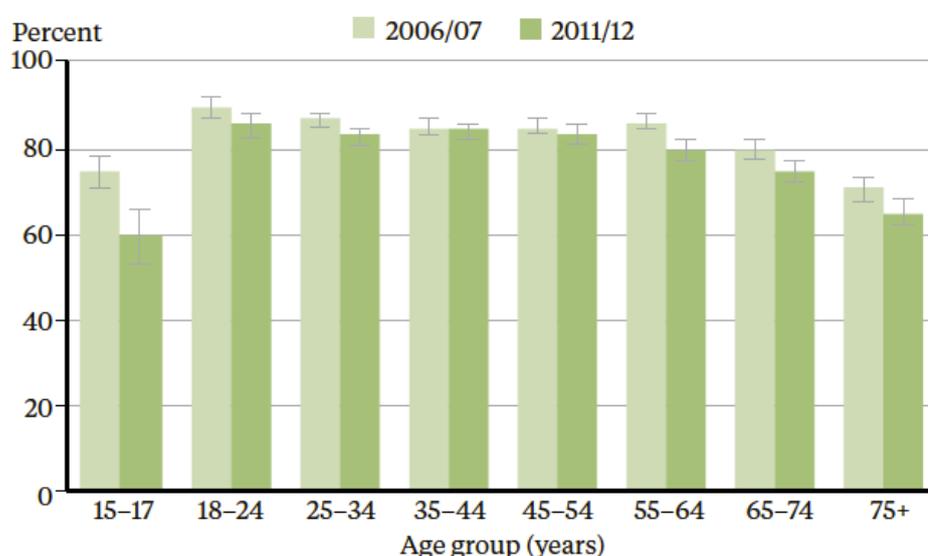
⁸ ALAC Alcohol Monitor – Adults and Youth 2009-10 Drinking Behaviours Report, 2011

⁹ Ibid

one-half of youth to less than a third.

It might be possible to argue that the 2009/10 data is simply an aberration or a sampling inconsistency. However Ministry of Health (MOH) research '*Hazardous Drinking in 2011/12 – Findings from the New Zealand Health Survey*'¹⁰ came to a similar conclusion. It reported that youth drinkers 15-17 fell from 75% in 2006/07 to 59% in 2011/12. The report has a graph that shows a reduction in the number of drinkers in all ages, which is reproduced below¹¹. The largest reduction was youth 15-17.

Figure 1: Has consumed alcohol in the past 12 months, by age group, 2006/07 and 2011/12



Source: 2006/07 and 2011/12 New Zealand Health Surveys (15 years and over)

8.4 **Binge Drinking by Youth**¹²

Percentage of **all youth** 12-17 that consumed 5 drinks or more on the last occasion (the ALAC definition of binge drinking)

2005/6 -	19.6%
2006/7 -	21.3%
2007/8 -	22.9%
2008/9 -	19.5%
2009/10 -	15.0%

Source: ALAC / FAR

Once again, the ALAC data shows a significant reduction in youth drinking in 2009/10.

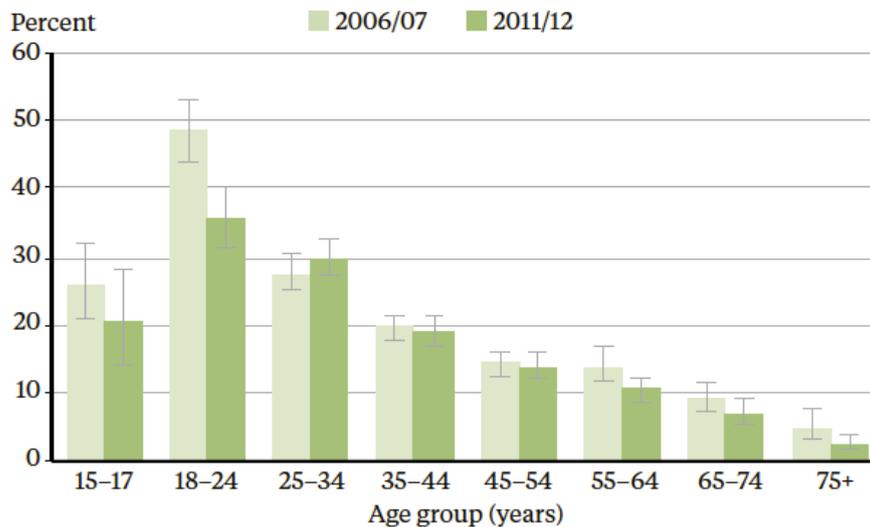
¹⁰ '*Hazardous Drinking in 2011/12 – Findings from the New Zealand Health Survey*' Ministry of Health

¹¹ Ibid

¹² Alert, the information bulletin of the Foundation for Advertising Research, pub. April, 4 2014

This data is further supported by the MOH report, which contains a graph showing the trends of the proportion of drinkers that are hazardous drinkers. We reproduce the graph below¹³. Note that only one age group (25-34) had an increase. For the age group 18-24 the proportion of drinkers who were hazardous drinkers reduced significantly from 49% in 2006/07 to 36% in 2011/12.

Figure 4: Hazardous drinking, among past-year drinkers, by age group, 2006/07 and 2011/12



Source: 2006/07 and 2011/12 New Zealand Health Surveys (15 years and over)

New Zealand specific data from both ALAC and the Ministry of Health shows that hazardous and binge drinking has decreased for youth over the past few years.

8.5 Frequency of Drinking by Youth¹⁴

Percentage of **all youth** 12-17 that drink more than once a week.

2005 -	10%
2005/6 -	6%
2006/7 -	9%
2007/8 -	9%
2008/9 -	7%
2009/10 -	3.5%

Source: ALAC / FAR

The ALAC data also demonstrates that youth are drinking less frequently. However, the increased number of non-drinkers in 2009/10 may influence this figure.

8.6 In summary, data from a range of government agencies clearly demonstrates that problem drinking by young New Zealanders is declining and has been doing so since 2009 / 10. This at a time when overall alcohol consumption by New Zealanders has remained reasonably static and levels of advertising and sponsorship have been constant.

¹³ Hazardous Drinking in 2011/12 – Findings from the New Zealand Health Survey' Ministry of Health

¹⁴ Alert, the information bulletin of the Foundation for Advertising Research, pub. April, 4 2014

- 8.7 When considered along with the graph in point 7.2, there is a clear conclusion that whatever drives youth alcohol consumption and related behaviour, it is not alcohol advertising.
- 8.8 Is it possible that this an aberration or a flaw in the data? We don't believe so. The trend in New Zealand is consistent with international experience. A very recent study¹⁵ published in April 2014 by Dr Michael Livingston from the National Drug and Alcohol Research Centre (NDARC) at the University of New South Wales in Australia has found the percentage of Australian adolescents, who did not drink (defined as not drinking alcohol over the past 12 months) jumped from 33 per cent in 2001 to just over 50 per cent in 2010. It also finds that in recent years, there has been a sharp decline in teenage drinking in many countries. In the United States, for example, the prevalence of alcohol use among 8th graders (typically aged 13–14years) has fallen from 54% in 1991 to 24% in 2012. In England, the proportion of 10–15-year-olds who had consumed alcohol at least once has fallen from 61% in 2003 to 45% in 2010.
- The Australian Secondary Students' Alcohol and Drug Survey (ASSAD)¹⁶ highlighted a similar trend in Australia, with past-week prevalence of drinking among 12–15-year-olds falling from a peak of 29% in 2002 to 11% in 2011, and from 48 to 33% for 16–17-year-olds. This is consistent with data from the Australian National Drug Strategy Household Survey, with rates of abstaining among 12–15-year-olds growing from 67.6 in 2004 to 77.2 in 2010.
- 8.9 It is also important to point out at this juncture that early indications are that the Sale and Supply of Liquor Act is having the desired effect.
- On April 27 2014, the NZ Herald online published an article entitled ***Minors and young drunks nabbed, violence drops under new laws***.¹⁷ It included the following passages
- “The Sale and Supply of Liquor Act gave stronger powers to authorities on December 18 last year, including spot fines for breaching liquor bans, closing bars at 4am and one-way door policies. Police say the laws are working — from December 18 to February 26, they **recorded 1,258 fewer alcohol-related violent incidents** compared with the corresponding time last year.”*
- “...Alcohol Healthwatch director Rebecca Williams praised the early results as a positive demonstration of what could be achieved with effective laws”.*

¹⁵ Trends in non-drinking among Australian adolescents, Michael Livingston - Drug Policy Modelling Program, National Drug and Alcohol Research Centre, University of New South Wales, Randwick, Vic., Australia and Centre for Alcohol Policy Research, Turning Point Alcohol and Drug Centre, Fitzroy, Vic., Australia

¹⁶ Ibid.

¹⁷ NZ Herald online – April 27 2014 - Minors and young drunks nabbed, violence drops under new laws.

9.0 Advertising and the Normalisation of Alcohol

- 9.1 Certain groups will no doubt try to make the case to the Forum that advertising normalises alcohol, particularly for young people. In refuting this we would make the following points.
- 9.2 Alcohol advertising does not target young people. Inevitably though, some young people will be allowed to watch TV after the watershed and will be exposed to alcohol ads.
- 9.3 However, we would argue that young people are far more likely be exposed to alcohol on TV as part of regular programming showing people consuming alcohol in social settings, and either using it responsibly or irresponsibly. Alcohol portrayals are relatively common on television, in film, and in music and music videos. These portrayals are largely positive or neutral, often associating drinking with positive consequences or desirable attributes. Negative consequences of drinking are rarely portrayed. Only a few studies have investigated the effects of exposure to alcohol portrayals in popular media. Generally, the findings from these studies are mixed and inconclusive.
- 9.4 Overall, the research on the effects of alcohol advertising also presents mixed and inconclusive findings
- 9.5 Young people are also far more likely to be exposed to alcohol in the home, around the dinner table, as mum and dad have a drink after work at the end of the day, or at family and social gatherings around the BBQ.
- 9.6 All of these influences have the effect of "normalising" alcohol and all are likely to have a greater and more frequent impact than advertising.

10.0 Potential Unintended Consequences of an Ad Ban

- 10.1 As outlined in point 7 above, the broadcast media advertising ban was removed at the beginning of 1992.
- 10.2 Critically, annual consumption in all of the five years prior to 1992 is higher than in any of the following 22 years.
- 10.3 We can only speculate as to the reason for this. However, our view is that as a result of the removal of the ban there was increased brand advertising and a move away from purchase in bulk. As an example, prior to 1992 it was common for beer to be purchased in flagons and jugs. As brands grew in importance there was an increasing trend from quantity to quality and a move away from competing on the basis of price alone.
- 10.4 A valid argument can therefore be made that a potential unintended consequence of a restriction on advertising and sponsorship could be a reversal of the industry wide move to quality, which has been driven by brand owner's ability to invest in their brands. A ban on advertising would undermine brand owners ability to invest in their brands, potentially leading to lower quality and lower price, making alcohol cheaper and more accessible than it is currently.
- 10.5 It is worth noting at this point what has occurred in many grocery categories over the past decade or so. As supermarket chains have become more powerful in the supply chain relationship, brand owners have moved significant portions of their marketing spend from traditional "above-the-line" advertising to in-store promotion and deeper levels of price discounting. The benefit to consumers has been lower prices, particularly by way of lower and more frequent specialing.
- 10.6 The market for alcohol is a mature one in that the consumption of alcohol when measured in litres per person has been reasonably consistent across the last decade. However, it is also a highly competitive market. The battle amongst brand owners and producers has been fought since 1992 on the basis of building value and differentiation into their products and brands and through product innovation. Once again, a move to restrict advertising limits producers ability to build and differentiate brands and develop innovative products.
- 10.7 In summary, any restrictions on advertising would not make the market any less competitive. Instead we believe it is more likely to simply shift the basis for competition from value-add innovation to price.
- 10.8 A restriction or ban would also have consequences for the advertising industry and related industries. Based on a survey of our members we estimate that a severe restriction or ban on advertising would lead to in excess of 100 immediate job losses across the industry and potentially as many in related industries such as film production. In the medium term there would be further job losses and potentially some agencies could go out of business.

10.8 The broader economic impacts are beyond the scope of this submission. However, there is no doubt they would be significant. By way of illustration, it is worth referring to the fact that the South African Parliament is considering an ad ban of both alcohol and sponsorship advertising.

The industry group *Industry Association for Responsible Alcohol Use* commissioned the economic consultancy Econometrix to undertake an economic impact study. The analysis of the economic impact of an alcohol and sponsorship ban in their 175 page report is compelling¹⁸. Key points are:

- 548,000 people are employed directly or indirectly in the alcohol industry - 4.5% of total employment
- 4.5% of the country's GDP comes from the alcohol industry.
- 6.7% of tax revenue is generated by the alcohol industry
- Ad spend would reduce by 5.5%
- Alcohol sponsorship with leverage is R7 billion (US\$696 million) and would cease
- Sport receives 79.6% of sponsorship funds with rugby, soccer and cricket being the largest recipients

Whilst South Africa is a very different environment to New Zealand, it is likely the impact of a ban in this country would be similar when relative scale is taken into account.

¹⁸ Economic impact of an advertising ban on alcoholic beverages *for industry association for responsible alcohol use* - March 2013. Econometrix (Pty) Ltd

11.0 The Quality of Empirical Evidence Supporting a Ban on Alcohol Advertising

- 11.1 It is likely the Forum will be deluged with research data designed to convince it that there is empirical evidence supporting a ban on alcohol advertising that, in the words of the Act, would minimise the harm caused by the “excessive or inappropriate” consumption of alcohol.
- 11.2 CAANZ does not agree. The research is inconclusive. In its July 2009 issues paper on the reform of New Zealand’s liquor laws¹⁹, the Law Commission drew extensively on the 2003 book *Alcohol: No Ordinary Commodity*.²⁰
- 11.3 The Law Commission noted that the precise link between alcohol promotion and consumption is nevertheless complex. The issues paper observed Babor and others noted that the results of studies examining the link between exposure to alcohol promotion messages and individual levels of consumption were mixed.²¹
- 11.4 *Alcohol: No Ordinary Commodity* was updated and republished in 2010. Again, the authors observed that studies found that advertising bans had no substantial effect on total consumption.²²
- 11.5 In the intervening years, nothing much has changed. Certainly, there is no additional compelling evidence that advertising alcohol increases consumption.
- 11.6 In general, the international research findings provide little consistent support for a relationship between aggregate alcohol advertising expenditures or advertising restrictions and aggregate alcohol sales, consumption, or problems. They do provide stronger evidence that alcohol advertising may lead to changes in brand or beverage preferences without increasing total consumption.

¹⁹ Law Commission, *Alcohol in our lives – an issues paper on the reform of New Zealand’s liquor laws*, pub. July 2009

²⁰ Thomas Babor *et al* *Alcohol: No Ordinary Commodity*, OUP, New York 2003.

²¹ Law Commission, *Alcohol in our lives – an issues paper on the reform of New Zealand’s liquor laws*, pub. July 2009

²² T. Babor and others *Alcohol: No ordinary Commodity*, OUP, New York, pub. 2010

12.0 International Regulatory Experience

- 12.1 We believe that the New Zealand experience (see 7.2) clearly demonstrates that alcohol advertising bans have no impact on consumption.
- 12.2 The Foundation for Advertising Research (FAR) studied the impact of full and partial alcohol advertising bans in various countries. They noted the evidence was overwhelming and that 20 studies found that, in practice, advertising bans had not resulted in a reduction in consumption.²³
- 12.3 The FAR findings are reflected in the WHO table reproduced on page 22 of this submission. Countries with either no restrictions or heavy restrictions report increases in per capita consumption. Those countries, like New Zealand, with largely self-regulatory regimes, report stable levels of per capita consumption.
- 12.4 Among other things, the WHO table shows:
- Very restrictive bans in France, Iceland, Sweden, Russia and Switzerland have not resulted in a decline in per capita consumption.
 - Very restrictive bans in Finland and Norway and restrictive bans in Vietnam and Estonia have led to increases in per capita consumption.
 - It is also worth noting that many of the developed nations in the table that have restrictive regimes also have higher per capita alcohol consumption than NZ (which had consumption at 9.12 litres pp) based on 2005 WHO data²⁴ e.g. France (13.66 litres pp per annum); Russia (13.5 litres pp per annum); Finland (12.52 litres pp per annum); Denmark (13.37 litres pp per annum); Belarus (15.13 litres pp per annum); Estonia (15.57 litres pp per annum); Korea (14.8 litres pp per annum), Switzerland (11.06 litres pp per annum)

²³ Alert, the information bulletin of the Foundation for Advertising Research, 20/13.

²⁴ WHO, Global Status Report: Alcohol Policy; "Global Status Report on Alcohol and Health", World Health Organization (2011)

Table 28: Comparison of the restrictiveness of alcohol policies and bans imposed in various countries and five-year change in recorded adult (population above 15 years old) per capita consumption, 2001-2005.²⁵

Country	Restrictions on advertising	Self-regulation/legislation	Per capita consumption trend (APC) - WHO
Australia	Voluntary	Self-regulation	Stable
Belarus	Ban (Wine & Spirits) No (Beer)	Ban	Stable
Bulgaria	No	Statutory legislation	Stable
Cambodia	No	No controls	Increase
Canada	No	Statutory legislation	Stable
China	No	Statutory legislation	Stable
Denmark	Yes (TV & Radio) Voluntary (Print & OOH)	Combination	Stable (but highest reported rates of intoxication amongst youth)
Estonia	Partial (TV & Radio) No (Print & OOH)	Statutory legislation	Increase
Finland	Partial (Beer & Wine), Ban on Spirits	Statutory legislation	Increase
France	Ban (TV), Partial (radio & print)	Statutory legislation	Stable
Germany	Voluntary	Self-regulation	Stable
Greece	No	Statutory legislation	Stable (lowest reported rate of intoxication amongst youth)
Ireland	Voluntary	Combination	Stable (but highest reported rates of intoxication amongst youth)
Iceland	Ban (but Print partial)	Statutory legislation	Stable
Italy	Partial (beer & spirits) Voluntary (wine)	Combination	Stable (low reported rate of intoxication amongst youth)
Kenya	No	Self-regulation	Stable
Malaysia	Ban (TV & radio), Partial (print & OOH)	Combination	Stable
Mongolia	Ban	Statutory legislation	Decrease
New Zealand	Partial (TV) No (radio, print OOH)	Self-regulation	Stable
Norway	Ban	Statutory legislation	Increase
Republic of Korea	Ban (Spirits: TV & radio) No	Statutory legislation	Stable
Russia	Ban	Statutory legislation	Stable
Sweden	Ban	Statutory legislation	Stable
Switzerland	Ban (TV & radio), Partial (print & OOH)	Statutory legislation	Stable
Vietnam	Spirits Ban (TV & radio) ; Wine Partial (TV & radio) No (Print),		Increase
Thailand	No	Statutory legislation	Stable
United Kingdom	Voluntary	Self-regulation	Stable
United States of America	Voluntary	Combination	Stable

²⁵Source: WHO, *Global Status Report: Alcohol Policy*; "Global Status Report on Alcohol and Health", World Health Organization (2011)

13.0 Alcohol Advertising and the Digital World

- 13.1 While the worldwide discussion on alcohol advertising has tended to focus on traditional media, the challenges presented by new and emerging media channels worldwide cannot be ignored.
- 13.2 The New Zealand advertising industry recognises the speed at which online media has evolved and the challenges this provides for agencies and regulators of all types.
- 13.3 The difficulty is in controlling online media when users can source both paid and unpaid content uploaded anywhere in the world. For example, a ban on advertising and sponsorship in New Zealand will not prevent the New Zealand public being exposed to branding at global events, such as the Olympics, FIFA World Cup, or the Rugby World Cup.
- 13.4 In addition, new media platforms such as YouTube provide instant access to ads from all over the world. Many of these go viral. Regulatory measures designed to control this aspect of new media would almost certainly constrain public internet freedom. The increasing divergence of media platforms to capture mobile devices also adds complexity to the issue.
- 13.5 This situation is likely to be exacerbated over the next few years as uptake of ultra-fast broadband enables New Zealanders to increasingly source programming and content from a wide range of international providers including Netflix and Hulu etc.
- 13.6 In New Zealand, digital and new media has been included in the ASA's codes from a very early time. In fact the New Zealand ASA was one of the very first self-regulatory organisations to accept complaints concerning online advertising. The ASA has developed specific guidelines for advertising on social media, with particular respect to alcohol.
- 13.7 The New Zealand advertising industry has gone a long way in limiting underage access to online marketing communications. However, online advertisers cannot be held accountable for factors over which they have no control. For example, many young users lie about their age to initially register with Facebook or other social media sites. While industry applies age-affirmation to their pages on online sites, advertisers cannot be held responsible for the veracity of the information supplied by online users.
- 13.8 Consequently, a ban on advertising in New Zealand will not stop New Zealanders being exposed to alcohol advertising. New Zealand must align itself with global practice as a fast-follower of key initiatives, particularly in the area of the fast-expanding new media. Several of these initiatives are outlined below;
- The development of an international approach to the new media is being worked on at European Union level and the World Federation of Advertisers (WFA) is currently developing a Responsible Marketing Pact (RMP) with Europe's advertising industry. One of the RMP's 'pillars' is social media. As part of this initiative, a Standard Alcohol Profile (SAP) for alcohol beverage brands in social media has been developed. CAANZ understands that, while the RMP is yet to be formalised, it will be announced in June 2014.

- Other global initiatives include the International Centre for Alcohol Policies (ICAP) and the Global Alcohol Producers Group (GAPG) launching a consultation process on their 'Digital Guiding Principles', and the International Chamber of Commerce (ICC) has issued the ICC Framework on Responsible Marketing Communications of Alcohol". The ICC is the global reference point for self-regulatory codes. It has a whole section focused on digital advertising. This digital extension represents a major step forward and will become the reference for responsible alcohol marketing.

14.0 Improving the Current Self-regulatory Regime

14.1 Complaints to the ASA relating to alcohol advertising have reduced since 2010 as the following chart demonstrates²⁶

ASA Alcohol Advertising Complaints 2010 -2013	2013	2012	2011	2010
Settled	3	6	11	19
Upheld	3	4	10	8
Not Upheld	9	10	22	23
Withdrawn / Resolved / Adjudged / Jurisdiction	1	1	3	10
No Grounds To Proceed	11	15	25	38
TOTAL	27	36	71	98

14.2 In its 2010 report, the Law Commission stated *“Industry bodies often cite the low number of complaints to the Complaints Board as an indicator of the effectiveness of the codes. However, a variety of factors may cause low numbers of complaints: a lack of knowledge of the complaints process;”*²⁷

We believe this assertion by the Law Commission is unfounded and is highly unlikely. Recent research undertaken by the ASA as part of a strategic review indicates that 87% of people are aware that they can make a formal complaint about an advertisement and a total 73% of people are aware of the ASA specifically.²⁸

14.3 While New Zealand’s self-regulatory alcohol advertising regime compares well against other regimes around the world, there are a number of ways in which it could be improved. These include the following:

- Introducing compulsory pre-vetting of alcohol advertising as is the case in Ireland.
- The Advertising Standards Complaints Board could be allowed to initiate complaints on its own account in exceptional circumstances.
- Improving the ASCB’s response rate for dealing with complaints. We note that the ASCB now meets twice monthly, reducing the average time from complaint to result to just 18 days.
- Developing more direct interventions – family, school-based, youth – designed to encourage the appropriate consumption of alcohol.

CAANZ and our members would be ready to take a lead role in assisting these initiatives to happen.

²⁶ ASA complaints data

²⁷ Alcohol in our lives : Curbing the harm – Law Commission Report pg 335

²⁸ Public awareness of the Advertising Standards Authority – UMR Research April 2014

15.0 Summary

- 15.1 CAANZ supports the Sale and Supply of Alcohol Act 2012 and its intentions.
- 15.2 However, we are strongly opposed to any further restrictions being placed on alcohol advertising and sponsorship.
- 15.3 New Zealand specific data from the last 27 years clearly demonstrates that there is no link between advertising and alcohol consumption in this country.
- 15.4 The international academic research on the effect of actual ad bans in practice is overwhelming - ad bans do not reduce consumption.
- 15.5 Data from the Ministry of Health and ALAC proves that problem drinking amongst New Zealand youth is declining
- 15.6 Any restriction or ban on advertising will not stop New Zealanders being exposed to alcohol advertising on-line, nor will it impact their exposure to alcohol being portrayed in a positive light in programming on TV and other media.
- 15.7 Any ban would undoubtedly have adverse economic consequences, including job losses in the advertising and related industries. Defining the broader economic impact is beyond the scope of this submission, but data from South Africa indicates that it would be significant.
- 15.8 Any ban on advertising is likely to lead to lower prices which would probably increase alcohol consumption and alcohol related harm. We do not believe this is the intent of the Sale and Supply of Alcohol Act 2012, nor is it in the best interests of New Zealand or New Zealanders.
- 15.9 The Sale and Supply of Alcohol Act came into effect on 18 December 2013. We believe it is premature to conclude that, after such a short time, the legislation is not delivering on its objectives or that further measures should be introduced. The Act should be given time to demonstrate its effectiveness. In fact, recent evidence indicates it is having a positive impact.
- 15.10 CAANZ believes New Zealand's self-regulatory alcohol advertising regime provides a framework which protects consumers through the imposition of sensible codes of practice supported by a complaints process, while allowing alcohol advertisers to communicate freely to consumers.
- 15.11 The empirical evidence supporting a ban on advertising as a means of minimising the harm caused by the excessive or inappropriate consumption of alcohol is, at best, very weak, and could be non-existent. We believe any rational analysis of the facts will lead to a similar conclusion.



28 April 2014

Attn: Nick Goodwin

Secretariat for the Ministerial Forum on Alcohol Advertising and Sponsorship

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Feedback from Cancer Society Auckland Northland for the Ministerial Forum on Alcohol Advertising and Sponsorship

Name:	Beth Jenkinson, Manager Health Promotion
If this submission is made on behalf of an organisation, please name that organisation here:	Cancer Society of New Zealand - Auckland Division Inc.
Address/email:	P O Box 1724, Shortland Street, Auckland 1140 bjenkinson@akcansoc.org.nz 09-308 0164
Please provide a brief description of your organisation (if applicable):	<p>The Cancer Society of New Zealand is a non-government organisation dependent on donations, bequests and community support. Cancer Society Auckland Northland is dedicated to reducing the incidence of cancer and ensuring the best cancer care for everyone in our Auckland region, from the Waikato border to Cape Reinga. We are the largest division nationally, serving more than one third of New Zealand's population. The main Cancer Society centre in Auckland is Domain Lodge in Grafton.</p> <p><i>Our mission is: Improving community well-being by reducing the incidence and impact of cancer.</i></p> <p>We are committed to working with our communities by providing leadership and advocacy in cancer control, with core services in Information, Support, Research and Health Promotion.</p>

Introduction:

Cancer Society Auckland Northland (CSAN) thanks the Ministerial Forum for the opportunity to provide feedback on restricting alcohol advertising and sponsorship. This submission outlines CSAN's concern about the current level of alcohol marketing and sponsorship and the impact this has on alcohol consumption and harm, particularly for young people.

CSAN's vision is to create a future with less cancer for our future generations and there is a clear link between alcohol and cancer. The evidence shows that any level of alcohol consumption increases the risk of cancer and that this risk increases as consumption increases. The volume of alcohol consumed over a lifetime is therefore an important factor in determining cancer risk.

There is strong evidence of the impact of alcohol promotion and sponsorship on young people. The more exposed young people are to alcohol marketing; the more likely they are to drink at a younger age and drink heavily. Restricting alcohol advertising and banning sponsorship is likely to reduce alcohol consumption in young people, thus reducing cancer risk later in life.

Therefore CSAN makes the following three recommendations to the Forum:

Three key recommendations:

1. Implement the Law Commission's recommendations on alcohol advertising and sponsorship in *Alcohol in Our Lives: curbing the harm* (2010).
2. Fully implement stages 2 and 3 of the Law Commission's recommendations over the next one to two years, including banning sponsorship. This should include a government buy out of alcohol sponsorship based on New Zealand's existing precedent of tobacco sponsorship buy out and a similar model used by the Australian government in buying out alcohol sponsorship in community sports ¹.
3. Amend the Sale and Supply of Alcohol Act 2012 to incorporate the alcohol advertising restrictions and ban on alcohol sponsorship of sporting, cultural and music events, activities and organisations.

CSAN has provided additional evidence highlighting the recent scientific research that supports the rationale for these recommendations. We also note that the New Zealand public recognises the risk of alcohol to young people and is very strongly supportive of policies to restrict or ban alcohol promotion and sponsorship².

Rationale for CSAN Recommendations:

Alcohol and cancer

Reducing alcohol consumption is an important strategy that can help to reduce cancer risk. The following points are highlighted in recent robust reviews of the scientific evidence undertaken by Massey University³ and University of Otago⁴.

- The strength of evidence for a causal relationship between alcohol use and cancer is of the highest level. Alcohol is a Group 1 carcinogen⁵. This is the highest rating applied to substances that cause cancer.
- Any level of consumption increases cancer risk. The level of risk increases with the level of consumption⁶.
- The volume of alcohol consumed over one's lifetime is important in determining cancer risk⁷.
- Overall, there were 802 alcohol-attributable deaths in New Zealanders aged 0–79 in 2007, representing 5.4% of all deaths under 80 years old. Over 240 of these deaths were from cancer, and for those aged 45 – 79 nearly 50% of alcohol attributable deaths were from cancer⁸
- Breast cancer is the leading cause of alcohol-attributable death in both Māori and non-Māori women⁹
- Māori and Pacific peoples are especially at risk of heavier, more hazardous drinking¹⁰ and experience higher rates of many cancers than other groups¹¹.

Alcohol consumption and young people

The risk of experiencing harm from alcohol consumption is greater in young people than for older people¹². The earlier young people start to drink, the more likely they are to become heavy drinkers¹³, with increased cancer risk later in life¹⁴. Facts about NZ young people's consumption are:

- The Ministry of Health's 2007/08 Alcohol and Drug Use Survey¹⁵ estimated 30% of New Zealanders aged 16-64 first consumed alcohol when they were less than 15 years old.
- In 2012, a quarter of NZ secondary school students reported binge drinking in the last month¹⁶
- A comparative study of data from national alcohol surveys in New Zealand highlighted that over time the greatest increase in quantity of alcohol consumed and alcohol related problems was in the youngest age group, those 14–19 years old¹⁷.

Alcohol advertising, sponsorship and young people

There is clear evidence of the impact of alcohol marketing on consumption of young people¹⁸. Restricting alcohol advertising and sponsorship will reduce the appeal and early uptake of alcohol by underage young people, including Maori and Pacific youth. Restrictions will also decrease consumption and therefore cancer risk later in life¹⁹.

Early initiation of drinking

- Research indicates the more young people in New Zealand are exposed alcohol marketing the younger they start drinking and the more they consume^{20 21}
- Early initiation into alcohol use increases the risk of being a heavy drinker and experiencing alcohol disorders later in life^{22 23}

- Alcohol advertising is associated with underage drinking ²⁴.

Alcohol advertising and sponsorship – powerful mechanisms for the normalisation of alcohol

- Alcohol marketing has expanded markedly in the past 50 years ²⁵. Alcohol advertising and sponsorship are powerful marketing tools used to reinforce the perception of alcohol as a normal part of everyday life – an ordinary commodity ²⁶
- Children see alcohol branding and sponsorship from a young age, e.g. at the supermarket and as part of televised free to air sports broadcasts. A recent Australian study showed half of all alcohol ads are screened in sports programmes which are popular with children and screened during children’s viewing hours ²⁷
- The high exposure of children to alcohol sponsorship during televised sport results in positive attitudes to alcohol and in some cases, even establishment of brand preference amongst young children ²⁸
- Evidence indicates the industry targets promotions and products to underage children and young people – for example alcopops which are ‘ready to drink, sweet, brightly coloured alcoholic drinks similar to soft drinks’ ²⁹. In a New Zealand study ready to drinks (RTDs) were most popular among young people aged 14–17 years. RTDs are associated with heavier drinking patterns among young females, and heavy consumption increases cancer risk later in life ³⁰.

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Appendix One: Supporting Information about Cancer Society Auckland Northland Division Incorporated

Our mission is: *Improving community well-being by reducing the incidence and impact of cancer.*

We are committed to working with our communities by providing leadership and advocacy in cancer control, with core services in Information, Support, Research and Health Promotion.

Our services include:

1. Health promotion to reduce the risk of certain cancers by working with policy makers, local councils and community leaders to create healthier public policy and environments and create a future with less cancer.
2. World class research into the causes and treatment of cancer through our support of the Auckland Cancer Society Research Centre.
3. Extensive information and supportive care services for people affected by all types of cancer. These include a cancer information helpline, community liaison nursing, counselling and psychology, transport to treatment assistance, meal service, cancer library, information, and accommodation for people having to travel away from home for treatment.

Submission on Alcohol Advertising and Sponsorship from the Cancer Society of New Zealand



Name:	Dr Jan Pearson, Health Promotion Manager & Deputy Chief Executive
If this submission is made on behalf of an organisation, please name that organisation here:	Cancer Society of New Zealand P O Box 12700 Wellington, 6144
Address/email:	jan.pearson@cancer.org.nz
Please provide a brief description of your organisation (if applicable):	The Cancer Society of New Zealand (Inc.) is a non-profit organisation which aims to minimise the incidence and impact of cancer on all those living in New Zealand. We work across the Cancer Continuum (2003, New Zealand Cancer Control Strategy, MoH) with key work streams that include: provision of Supportive Care; Information; funding of Research; and, Health Promotion (www.cancernz.org.nz).
Oral Submission	We would welcome the opportunity to make an oral presentation to the panel if the opportunity presents.

Your submission may be requested under the Official Information Act 1982. If this happens, it will normally be released to the person who requested it. However, if you are submitting as an individual (rather than representing an organisation), your personal details will be removed from the submission if you check the following boxes:

- I do not give permission for my personal details to be released under the Official Information Act 1982.
- I do not give permission for my name to be listed in the published summary of submissions.

Introduction

The Cancer Society of New Zealand (Cancer Society) has recognised the growing public health evidence base that demonstrates a causal relationship between alcohol and the development of some cancers.

Alcoholic beverages have been classified as a Group 1 carcinogen by the World Health **Organization's International Agency for Research on Cancer (IARC) since 1988.**¹ This is the highest rating applied to substances that directly cause cancer, indicating that the link between alcohol and cancer in humans is underpinned by strong scientific evidence. As an organisation working to reduce the impact and incidence of cancer within our communities, alcohol is a growing area of our advocacy and health promotion work.

Current behavioural research indicates that alcohol use is widespread in New Zealand. Over half the population aged 16-64 years consumes alcohol at least weekly and 15% percent of adults aged 15 years and over drink in a way that is hazardous to their health. This pattern of hazardous drinking is higher among men (22%) than among women (9%).²

While hazardous drinking has significant health and social consequences, the authors of a recent literature review commissioned by the Cancer Society Auckland Division, and overseen by Professor Sally Caswell **found that the volume of alcohol consumed over one's lifetime, even if consumed in moderation, contributes to the risk of developing cancer.**³

For the Cancer Society this evidence supports our developing approach to alcohol harm reduction being one that covers a suite of preventative approaches addressing concerns in International **research that "Alcohol remains a major contributor to cancer mortality... reducing alcohol consumption is an important and underemphasised cancer prevention strategy".**⁴

In 2012, the worldwide burden of cancer rose to an estimated 14 million new cases per year, a figure that the World Health Organisation (WHO) expects to rise to 22 million annually within the next two decades.⁵ This expected rise in new cancer cases has led an alliance of eight prominent New Zealand Cancer charities CANGO (Cancer Non-Governmental Organisations) to call on the New Zealand government **to answer the World Cancer Declaration's call to action which includes as its first action area, the outcome to 'Reduce modifiable risk factors for cancer'. Specifically this urges government to 'implement the WHO Global Strategy to reduce the harmful use of alcohol'.**⁶

Considering more regulative approaches to reducing alcohol harm the WHO has cited the first international treaty sponsored by WHO, the 'Framework Convention on Tobacco Control', which included restrictions on advertising as a potential regulative model.⁷

The Cancer Society has submitted to many Local Alcohol Policies to help shape the implementation of measures to control the sale and supply of alcohol in local communities. During this process we have witnessed the strength of feeling within communities in support of reducing the harm caused by alcohol.

The Cancer Society considers that further measures to restrict alcohol advertising and sponsorship is the next logical step to addressing recommendations outlined in the 2010 Law Commission report: *Alcohol in our Lives: Curbing the Harm*.

We welcome the opportunity to submit to the Ministerial Forum on Alcohol Advertising and Sponsorship Review and we urge the Ministerial Review Panel to uphold the recommendations and overwhelming public health evidence base relating to alcohol advertising and sponsorship contained within the 2010 Law Commission report *Alcohol in our Lives: Curbing the Harm* and have a clear intention to consider the best ways to implement these recommendations.

We would request that the spirit of the Ministerial review is one which respects the guiding **principle contained in the ‘Global Strategy to reduce the harmful use of alcohol’ that “Public health should be given proper deference in relation to competing interests and approaches that support that direction should be promoted”**.⁸

Questions to guide your submission

1. Did you/your group/your organisation make a submission on the 2010 Law Commission report *Alcohol in our Lives: Curbing the Harm* and/or to the Justice and Electoral select committee, on alcohol advertising and sponsorship issues? **Yes or No.** If yes, please specify whether you submitted to the Law Commission and/or Select Committee.

Yes

The Cancer Society made a submission to the Law Commission in October 2009 and to the Justice and Electoral Committee in February 2011.

2. Do you support further restrictions on **alcohol advertising** (over and above the measures currently undertaken) to reduce alcohol-related harm? **Yes or No.** [Tick box]

Yes

No

3. What reasons do you have for your view? Please include details.

- Alcohol advertising heightens the normalisation of alcohol within daily life.
- Children and Young people are vulnerable to alcohol advertising
- Alcohol advertising is closely associated with risky drinking behaviours
- Alcohol outlet density increases visibility of this commodity and is closely associated with risky drinking behaviours
- National and global evidence supports restrictions on alcohol advertising as an effective measure to reduce alcohol related harm.
- The unregulated nature of alcohol advertising standards authority is not effective.

“Glamorizing alcohol and its effects, and perpetuating myths about alcohol and the “lifestyle” it is supposed to be associated with, are two ways in which Big Alcohol actually drives the cancer epidemic because alcohol is not a magic drink but a toxic, and carcinogenic substance”⁷

Dr. Margaret Chan, Director-General
Introduction to the World Cancer Report

4. What evidence is available to support your view.

Alcohol advertising heightens the normalisation of alcohol.

‘The Global strategy to reduce the harmful use of alcohol’ includes within its guiding principals the statement that ‘Children, teenagers and adults who choose not to drink alcohol beverages have the right to be supported in their non-drinking behaviour and protected from pressures to drink’⁹.

Part of this pressure stems from the fact that alcohol has become normalised within our society. This is well referenced in the Law Commission 2010 report ‘*Alcohol in our lives: curbing the harm*’¹⁰ and the World Health Organisation endorsed global publication ‘*Alcohol no ordinary commodity*’¹¹ and more recent research has echoed this rationale. A report into the impact of Liquor outlets in Manukau, New Zealand highlighted community concerns about the availability of alcohol alongside other commonplace commodities and expressed concern that this ‘normalised’ its purchase for minors who might otherwise not have been exposed to the routine purchase of alcohol’¹²

Close association of alcohol outlet density on drinking behaviours:

Through our input into the Local Alcohol Policy process we have been privy to the many concerns reported by communities as to the number and concentration of alcohol outlets within many communities (density). New Zealand research has found ‘positive associations seen between alcohol outlet density and both individual level binge drinking and alcohol-related problems’¹³

As a visible alcohol marketing tool in themselves, alcohol outlets are often emblazoned with alcohol advertising / branding and considering the evidence that the more alcohol advertising a child or young person is exposed to the more likely they are to begin drinking alcohol at an earlier age and consume higher volumes of alcohol,¹⁴ advertising onsite and external to alcohol outlets should be considered as a part of a raft of alcohol marketing regulations.

Vulnerability of Young people to alcohol advertising – impact on drinking behaviours:

It is widely evidenced that a key strategy to reduce alcohol related harm is to restrict alcohol advertising and marketing.¹⁵ The World Health Organisation ‘Global Strategy to reduce harmful use of Alcohol’ decided upon ten key areas of policy options and interventions for governments at the national level, which included an action to address the marketing of alcoholic beverages.

Young people are particularly vulnerable to the prompts and persuasions of alcohol marketing. Research has consistently shown an association between alcohol marketing and early drinking initiation of young people.^{16 17 18} Lin et al (2012), found that exposure to all forms of alcohol marketing is associated with drinking by young people. The research also found that having established a brand allegiance at age 13-14, was related to drinking patterns including consuming larger quantities.¹⁹

In 2011 an assessment of the cumulative impact of alcohol marketing on young people’s drinking found significant associations between awareness of, and involvement with alcohol marketing, drinking status and future drinking intentions.²⁰ The report also found that alcohol advertising activities often featured content with youth appeal that seemed to influence young people’s ‘well developed brand attitudes’.

In a survey conducted by the then Alcohol Advisory Council of New Zealand (ALAC 45 percent of Maori youth aged 15-17 years reported getting drunk the most recent time they drank alcohol, with 25 percent reporting that they had planned to do so. The ALAC Maori action Plan 2009-2012 states that the health burden of alcohol falls inequitably on Maori.²¹

4 continued>

Social media is an ever growing platform for targeted advertising at young people. New Zealand research has highlighted how integrated alcohol marketing is within such digital media outlets.

Professor Antonia Lyons talks about the concept of a ‘culture of intoxication’.

Professor Lyons research illustrates that young people are so normalised to alcohol advertising on digital media platforms that they do not even recognise it as advertising. Mechanisms used by **alcohol companies to generate user content such as ‘like’ a product facilities, sharing and incentives**, enable companies to widen their customer reach by accessing friends contacts online. **The research further found that alcohol is a key component of University student’s identity on Facebook and that ‘posting’ photographs or stories about drinking episodes is a significant part of this identity.** ²²

Likewise a survey of 1,563 students in Los Angeles showed that "adolescents can be influenced by their **friends’ online pictures to smoke or drink alcohol**".²³

Marketing efforts are increasingly sophisticated and multidimensional, integrating online and offline promotions with the sponsorship of music and sporting events, the distribution of branded merchandise, and the proliferation of new alcoholic brands and flavours.

The ever expanding resources of online media and the increasing popularity of these digital platforms are a fitting example of the need for stronger regulation for alcohol advertising. By 2012 alcohol had the highest industry engagement rate on Facebook overtaking industries such as automotive, airlines, finance and electronics.²⁴

In addition recent research into alcohol advertising in movies found that teenagers who watched the most movies featuring alcohol were twice as likely to start drinking as those who watched the least. And they were 63% more likely to progress to binge drinking²⁵.

Research highlighted at the Global Alcohol Policy Conference indicated that exposure to alcohol advertising increases the risk of drinking initiation and that stronger effects were experienced at lower levels of exposure. In the maximum ranges of exposure to alcohol advertising the effects were found to be comparable to peer effects as a risk factor for drinking initiation.²⁶

Public support in favour of measures to further regulate alcohol marketing is strong in New Zealand. Eighty-six percent of submissions to the Law Commission and the majority of submissions to the Justice and Electoral Select Committee supported restricting advertising of all alcohol in all media.²⁷

Self regulated nature of alcohol advertising standards authority:

The Seoul Global Alcohol Policy Conference Declaration 2013 ‘From local action to global change’ calls **for measures to establish the ‘strongest possible statutory restrictions on alcohol marketing of all kinds...to protect ‘the right of young people to grow up without pressure to drink’.**²⁸

International evidence has highlighted the weaknesses of self-regulation of alcohol-related advertising and sponsorship. **Babor et al (2010) conclude that overall “ there is no evidence to support the effectiveness of industry self-regulatory codes, either as a means of limiting advertisements deemed unacceptable or as a way of limiting alcohol consumption”** ²⁹ and Professor Thomas Babor has labelled self-regulation as “**spectacularly ineffective**”. ³⁰

In the UK, the House of Commons health select committee wanted to explore how of self regulation operates. It obtained a large number of internal marketing documents from alcohol producers and their communications agencies in order to examine the thinking and strategic planning that underpin alcohol advertising. Looking at themes that are banned by the advertising code of practice in the U.K including **that ‘Advertisements must not appeal strongly to people under 18 or be associated with, or reflect, youth culture and no-one who is, or appears to be, under 25 years old may play a significant role in advertisements’** the researchers found that alcohol industry documents clearly ‘aspire to be associated with and appeal to youth’.³¹

In Australia, the Australian National Preventive Health Agency (ANPHA) has asserted that **“current regulatory arrangements on the placement of alcohol advertising are failing to sufficiently protect children and adolescents and in some cases are facilitating their exposure to alcohol advertising”**³²

Jernigan et al (2013) evaluated the proportion of advertisements that appeared on television programmes in 25 local television markets in the US and found that youth exposure exceeded the industry standard³³.

Researchers assessing the content of alcohol advertising in youth-oriented U.S. magazines, with specific attention to subject matter relating to risk and sexual connotations and to youth exposure to these ads. They concluded that the prevalence of problematic content in magazine alcohol advertisements was concentrated in advertising for beer and spirits brands, and violations of industry guidelines appeared to increase with the size of youth readerships, suggesting that individuals aged 21 years and under may be more likely to see such problematic content than adults.³⁴

The spread of global evidence highlighting the weakness of self regulation should justify greater regulation.

“The global exposure of young people to alcohol marketing requires an urgent policy response”.

Professor Sally Casswell
Director of the Centre for Social and Health Outcomes Research and Evaluation (SHORE) in Auckland, New Zealand

Source: <http://forut.custompublish.com/-policy-responses-to-alcohol-marketing-are-urgently-needed.5433563-315750.html> accessed 14.04.2014

5. Do you think the available evidence is strong enough for changes to be made now? Explain your reasons.

Yes

The alcohol harm evidence base was clearly scrutinised during the development of the 2010 Law Commission report *Alcohol in our Lives: Curbing the Harm* and the submission process to the Justice and Electoral select committee. Since then the evidence base has been strengthened with consistent messages about the close association of alcohol advertising and drinking behaviours.

Public support is high for further alcohol marketing restrictions. Progress is being made on reducing the availability of alcohol in New Zealand via the Local Alcohol Policy process and work should be advanced to consider and implement more regulative legislation for alcohol advertising.

82% of respondents said that they ‘supported’ or ‘strongly supported’ increasing the restrictions on alcohol advertising or promotion that is seen and heard by children and young people.³⁵

6. Do you support further restrictions on **alcohol sponsorship** to reduce alcohol-related harm? **Yes or No.** *[Tick box]*

Yes

No

7. What reasons do you have for your view? Please include details.

Event sponsorship is associated with negatively influencing drinking behaviours, particularly in young people.

The constant exposure to alcohol branding and advertising during major sporting, cultural and music events and activities normalises the event and alcohol connection **and the idea you can't have** entertainment/events without alcohol.

8. What evidence is available to support your view (please cite references if available, or provide supporting information). Please focus on evidence since 2010 if this is available.

Although the relationship is complex, the majority of research with young people shows that participation in sport is associated with greater (mis)use of alcohol, particularly in team sports. Because sport is typically emotionally charged and plays a key part in social identification, products presented within sporting contexts are more likely to be liked and chosen.³⁶

In 2013, researchers at the University of Western Australia presented the findings of significant research that children are likely to be subconsciously absorbing sports sponsorship messages. More than 160 children aged from 5-12 years of age were invited to take part in an activity that assessed their conscious and subconscious associations between sporting teams and a range of sponsors.

The researchers found that more than three-quarters of the children aligned at least one correct sponsor with the relevant sport leading them to conclude that **‘while sponsors may argue that they are not intentionally targeting children, it is clear their efforts are producing this ‘unintended’ consequence and as such sport sponsorship should come under closer scrutiny.**³⁷

Research into sports sponsorship in Australia found underage television viewers (13 – 17) are equally likely to be exposed to televised alcohol advertisements as young adults (18 - 24)³⁸ **and alcohol marketing was found to be ‘ubiquitous across both the NRL and AFL finals series. This is in contrast to non-sporting broadcasts that were recorded concurrently where there were no incidents of alcohol marketing across all recordings’.**³⁹

In a study looking at university students who play sport, Professor Kerry O’Brien found that rates of dangerous drinking were higher in those receiving alcohol sponsorship than those not receiving alcohol sponsorship and concluded *that “sport administrators should consider action to reduce the harms associated with excessive alcohol consumption and alcohol industry sponsorship in sport”.*⁴⁰

A number of studies in New Zealand have examined alcohol-related promotion during popular sports events. Their findings suggest that there is an **“increasingly naturalised alcohol-sport link in the entertainment experience of major sports events in New Zealand”.**⁴¹ To disentangle the association of entertainment experience of sporting events and alcohol sponsorship. The researchers recommended eliminating alcohol promotions that endorse the **‘party or carnivalesque atmosphere’ and investigating local and international policies and pathways such as France’s model of Loi Evin.**⁴²

Again we would urge the Ministerial Review to revisit recommendations on alcohol advertising and sponsorship highlighted in the 2010 Law Commission report *Alcohol in our Lives: Curbing the Harm* and acknowledge and act upon the strength of public health evidence cited.

9. Do you think the available evidence is strong enough for changes to be made now? Explain your reasons.

Yes

Refer to evidence presented in response to Q8

Types of possible restrictions (if supported)

10. If further restrictions to **alcohol advertising** are necessary, what do you think should be done?

The Cancer Society urges the Ministerial Review to implement the three stage process put forward in the 2010 Law Commission report: *Alcohol in our Lives: Curbing the Harm* due to the strength and scope of the evidence base included.

The report recommended that Stage 1 should introduce immediate interventions targeted at sales promotions and advertising that encourage excessive consumption of alcohol or inappropriately stimulate demand for its purchase. We note that progress has made here in New Zealand with the inclusion of an irresponsible promotions clause (Clause 237) contained within the Sale and Supply of Alcohol Act 2012.⁴³

Whilst Government should be congratulated for introducing increased regulative measures via the Sale and Supply of Alcohol Act 2012 and by association through the development of Local Alcohol Policies, introducing Stage 2 and Stage 3 would strengthen regulation measures to protect those vulnerable to alcohol marketing. **‘Alcohol in our lives’ talks of stage 2 regulation to plan and implement a programme that aims to further reduce exposure to advertising, particularly of young people, and increase control of advertising content, and stage 3 should further strengthen content and sponsorship restrictions.**

Where the Law Commission review report stated that **‘the available evidence does not justify a recommendation for a total ban on alcohol advertising and sponsorship at this point. Unlike tobacco, it is possible to consume alcohol at low-risk levels.’**⁴⁴

The Cancer Society would support evidence confirmed that was during an extensive literature review into alcohol and cancer, by Professor Sally Caswell, which concluded that where **there is a strong causal relationship between alcohol and cancer risk there is ‘a dose-risk relationship with increasing levels of alcohol intake and no threshold effect’.....and thus we would suggest that there is grounds to justify further restrictions from a public health standpoint.**

The World Health Organisation has stated that, there is a dose-response relationship between young people’s exposure to alcohol marketing and the likelihood that they will start to drink or drink more. **“The greater the exposure, the greater the impact. The evidence thus suggests that limiting the kind and amount of alcohol marketing would reduce drinking initiation and heavy drinking among young people.”**⁴⁵

The Cancer Society considers that a regulatory framework that incorporates monitoring and enforcement that is independent of industry interests should be considered.

11. How would these proposed restrictions work in practice to reduce alcohol-related harm (e.g. crime, disorder, negative public health outcomes)?

Restrictions on sale and supply coming into effect via the Sale and Supply of Alcohol Act 2012 and via Local Alcohol Policies would be complemented by more regulation for alcohol advertising.

Less alcohol availability would ultimately mean less harm experienced across the breadth of public health outcomes. Stemming the proliferation of alcohol advertising particularly for online communication tools would help to de-normalise alcohol within our society. Informing people of alcohol harms and the new legislation relating to social supply to minors, (supply now requires parental consent) is likely to contribute to societal and behavioural change in which people are moving towards an environment that supports the uptake of health promotion messages and efforts to achieve a positive change in our drinking culture.

12. What evidence is available that your proposal(s) would work?

Global and national evidence base cited in the Law Commission Report 2010, additional research highlighted in this submission since 2010.

The World Health Organisation has stated that, there is a dose-response **relationship between young people's exposure to alcohol marketing and the likelihood that they will start to drink or drink more. "The greater the exposure, the greater the impact. The evidence thus suggests that limiting the kind and amount of alcohol marketing would reduce drinking initiation and heavy drinking among young people."**

13. What other interventions could potentially be tried in future?

In terms of how this could look in practice the solution put forward by the **authors of UK based research entitled ‘Failure of self regulation of UK alcohol advertising’ should be considered.** ⁴⁶

The research highlights insights gained from the UK parliament health select committee process which including the gathering of a large number of internal marketing documents from alcohol producers and their communications agencies in order to examine the thinking and strategic planning that underpin alcohol advertising. They suggested the following recommendations to regulate alcohol marketing:

- Billboards and posters should not be located within 100 m of a school
- A 9 pm watershed should be introduced for television advertising. Cinema advertising for alcohol should be restricted to films classified as 18
- TV and radio advertisements for alcohol should be restricted to a maximum of 25% of total advertising and no more than two alcohol advertisements should appear in one commercial break
- No medium or event should be used to promote alcohol if more than 10% of its audience or readership are 10-17 years of age
- Alcohol promotion should not be permitted on social networking sites
- Age restrictions should be required on any website that includes alcohol promotion—this would cover sites of those receiving alcohol sponsorship and corporate alcohol websites
- Efforts should be made to limit the promotion of alcohol on university and college campuses

The Cancer Society recommends that all of these recommendations should be considered for New Zealand application.

14. Why should these other interventions be considered?

Recommendations are evidence based.

15. If further restrictions to **alcohol sponsorship** are necessary, what do you think should be done?

59% of respondents ‘supported’ or ‘strongly supported’ banning alcohol sponsorship of sporting, music and cultural events that children and young people are likely to go to.⁴⁷

Restrictions on alcohol advertising at sporting events, including those that are televised

Restrictions on products developed for sporting activities with alcohol branding associations.

Consider alternatives to alcohol sponsorship in sports complemented by restricted use of branding on products particularly those aimed at children.

Consideration of how Tobacco sponsorship was removed from sporting and other events through the work of the Health Sponsorship Council (HSC) – now - along with ALAC part of the Health Promotion Agency (HPA)

16. How would these proposed restrictions work in practice to reduce alcohol-related harm (e.g. crime, disorder, negative public health outcomes)?

Begin a process to disassociate sport with alcohol

Support the irresponsible promotions clause in the Sale and Supply of Alcohol Act 2012.

Reduce the impact of alcohol advertising upon drinking behaviours

Less pressure on young people to begin drinking alcohol at an early age.

Fund HPA to support events as clubs transition to other sponsorship arrangements as HSC did for the removal of Tobacco sponsorship.

17. What evidence is available that your proposal(s) would work?

Recommendations on alcohol advertising and sponsorship highlighted in the 2010 Law Commission report Alcohol in our Lives: Curbing the Harm.

18. What other interventions could potentially be tried in future?

Again we would urge the Ministerial Review to revisit recommendations on alcohol advertising and sponsorship highlighted in the 2010 Law Commission report Alcohol in our Lives: Curbing the Harm and acknowledge and act upon the strength of public health evidence cited.

19. Why should these other interventions be considered?

Strong evidence base highlighting the negative effects of alcohol sponsorship.

Impacts of proposals

20. Who would be affected by your proposals to restrict **alcohol advertising** and how?

From a public health perspective our priority is improving health outcomes, particularly reducing the incidence and impact of cancer within our communities.

Efforts to restrict the expansive ways in which alcohol is advertised, particularly to young people would reduce the pressure on people to begin drinking alcohol, it would reduce the number of alcohol association based prompts that individuals are exposed to and contribute towards more considered drinking behaviours in society.

21. How might these proposals impact on:
- alcohol consumption, particularly among young drinkers and heavy drinkers;
 - the perception of alcohol as an everyday commodity, particularly among children and young people;
 - alcohol-related harm;
 - businesses, such as the alcohol and advertising industries;
 - the recipients of alcohol sponsorship funds; and
 - different populations – e.g. **youth, children, Māori, Pasifika, lower socio-economic** populations.

More effective regulation would:

- Reduce the pressure faced by people (particularly young people) to begin drinking alcohol
- Reduce perception of alcohol as an ordinary commodity and highlight alcohol harms
- Contribute towards reducing health inequalities faced by some communities, ie. lower socio economic and Maori populations.
- Contribute towards reducing alcohol consumption and thus begin to reduce the burden of alcohol harms faced globally and nationally.

22. Who would be affected by your proposals to restrict **alcohol sponsorship** and how?

Same as above plus

Removing the link between alcohol, cultural and music events and activities would emphasise the benefits of physical activity, team games, community involvement and endorse positive social events that are suitable for children, young people and families and remove the focus of alcohol as part of the entertainment culture of New Zealand.

23. How might these proposals impact on:

- alcohol consumption, particularly among young drinkers and heavy drinkers;
- the perception of alcohol as an everyday commodity, particularly among children and young people;
- alcohol-related harm;
- businesses, such as the alcohol and advertising industries;
- the recipients of alcohol sponsorship funds; and
- different populations – **e.g. youth, children, Māori, Pasifika**, lower socio-economic populations.

Refer to answer 21 & 22

Ongoing and new challenges

24. What ongoing and emerging challenges does the Forum need to take into account when considering whether further restrictions on **alcohol advertising** are necessary to reduce alcohol-related harm?

Public Health experts should be represented on the Ministerial Forum.

The Ministerial forum panel need to be mindful of the concerns by public health **experts on the objectivity of the global alcohol producers' alcohol industry** in harm reduction strategy development. The Global Alcohol Policy Alliance has recommended **that “...**

“ the global alcohol producers refrain from engagement in health related prevention, treatment, research and traffic safety activities , as these tend to be self serving and competitive with the activities of the World Health Organisation and the public health community⁴⁸

The panel is encouraged to look at the steps taken to curb tobacco in New Zealand many of which will be applicable if the current alcohol culture with its associated harms is to be controlled for the benefit of the population and health system.

25. What action, if any, could be taken to address these matters?

Public Health representation on the review panel.

Acceptance of non objectivity of the global alcohol industry in harm reduction efforts.

26. What ongoing and emerging challenges does the Forum need to take into account when considering whether further restrictions on **alcohol sponsorship** (e.g. of sporting, cultural and other events) are necessary to reduce alcohol-related harm?

The Framework Convention on Tobacco Control provides an appropriate model for global governance to control alcohol marketing. This model has been found to be feasible, applicable and valuable in controlling tobacco marketing.

Implement the WHO Global Strategy to reduce the harmful use of alcohol.

27. What action, if any, could be taken to address these matters?

Develop and implement a model of regulatory measures akin to the Framework Convention on Tobacco Control, for alcohol, clearly committing to reducing alcohol marketing and sponsorship in conjunction with supporting the implementation of the WHO Global Strategy to reduce the harmful use of alcohol.

Other comments

28. Do you have any other comments?

The Cancer Society recommends that the New Zealand Government and local governments throughout the country implement policies that meaningfully reduce the availability and promotion of alcohol in New Zealand communities.

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¹⁶ ibid

¹⁷ Stoolmiller, M., Wills, T. A., & McClure, A. C. (2012). Media and family predictors of drinking onset and binge drinking among U.S adolescents. *BMJ Open*, 20.

¹⁸ Grenard JL, Dent CW, Stacy AW. Exposure to alcohol advertisements and teenage alcohol-related problems. *Pediatrics*. 2013 Feb;131(2):e369-79. doi: 10.1542/peds.2012-1480. Epub 2013 Jan 28

¹⁹ Lin, E-Y.J., Casswell, S., You, R.Q., Huckle, T. (2012). Engagement with alcohol marketing and early brand allegiance in relation to early years of drinking. *Addiction Research & Theory*. 20(4): p. 329-338.

²⁰ Gordon, R., Harris, F. Mackintosh, A. M, & Moodie, C. (2011). Assessing the cumulative impact of alcohol **marketing on young people's drinking: Cross-sectional data findings**. *Addiction Research and Theory*, 19(1), 66-75.

²¹ Alcohol Advisory Council of New Zealand (ALAC) Maori Action Plan 2009-2012

²² Lyons, A. (2013). The Culture of Intoxication: Young Adults, Social Networking and Alcohol Marketing. Personal Communications: The Perils of Alcohol Marketing: Alcohol Action New Zealand Conference, 7th March, 2013. Wellington: Te Papa.

²³ <http://www.nzherald.co.nz/news/print.cfm?objectid=11119193&pnum=1>

²⁴ Carranza, A. (2012). Alcohol and automotive industries create the most engagement on Facebook. Accessed from <http://www.examiner.com/article/alcohol-and-automotive-industries-create-the-most-engagement-on-facebook>. Visited 10.04.2014

²⁵ The Globe. (2012). Movies encourage teenage drinking. Issue 2. Institute of Alcohol Studies for the Global Alcohol Policy Alliance. London: England.doi: 10.1136/bmjpen-2011-000543.

²⁶ Early adolescent exposure to low levels of alcohol advertising associated with increased risk of alcohol initiation : Research presentation by Craig S. Ross, MBA Doctoral Candidate, Epidemiology Boston University School of Public Health source: http://kiap.re.kr/gapc/GAPCPPT/1007/2-3_30/C2-4-3%20Ross.pdf accessed 10.04 2014

²⁷ NZ Drug Foundation Factsheet 3 : Advertising and the Alcohol Reform Bill available at: <http://www.drugfoundation.org.nz/sites/default/files/NDF15730%20Factsheet%203%20-%20Marketing%20WEB.pdf>. Weblink accessed 8.04.2014 @3.15pm

²⁸ **Global Alcohol Policy Conference Declaration : "From Local and National Action to Global Change"** Seoul, Korea, 7-9 October, 2013 source: <http://www.gapc2013.com/> accessed 10.04.2014.

²⁹ Babor et al (2010). Alcohol: No ordinary commodity. Research and Public Policy. 2nd Ed. World Health Organisation: Oxford University Press.

³⁰ Babor, T. (2013). Plenary Session: Global Responses to the Global Alcohol Strategy. Personal Communication: Global Alcohol Policy Conference. Seoul, South Korea, 6-8 October, 2013.

³¹ Gerard Hastings, Oona Brooks, Martine Stead, Kathryn Angus, Thomas Anker, Tom Farrell, Failure of self regulation of UK alcohol advertising *BMJ* 2010;340:b5650 <http://www.bmj.com/content/340/bmj.b5650> accessed 11.04.2014

³² Australian National Preventive Health Agency : Alcohol advertising: the effectiveness of current regulatory codes in addressing community concern DRAFT REPORT February 2014 available from: [http://anpha.gov.au/internet/anpha/publishing.nsf/Content/F641F67C6D6F52C5CA257C86001D5F19/\\$File/Draft%20Report%20Alcohol%20Advertising%2024.2.14.pdf](http://anpha.gov.au/internet/anpha/publishing.nsf/Content/F641F67C6D6F52C5CA257C86001D5F19/$File/Draft%20Report%20Alcohol%20Advertising%2024.2.14.pdf) accessed 11.04.2014.

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- ³³ Jernigan, D. et al (2013). Youth exposure to alcohol advertising on television – 25 markets, United States, 2010. *Morbidity and Mortality Weekly Review*. Vol. 62, No.44.
- ³⁴ Rhoades, E. & Jernigan, D.H. (2013). Risky messages in alcohol advertising, 2003-2007: Results from content analysis. *Journal of Adolescent Health*. <http://dx.doi.org/10.1016/j.adohealth.2012.04.013>.
- ³⁵ Peck. R. (2011). 2010 Health and Lifestyles Survey: Alcohol Related Attitudes. Wellington: Health Sponsorship Council.
- ³⁶ Terry-McElrath & O'Malley (2011). **Commentary** – Bad Sport – exorcizing harmful substances and other problems. *Addiction*, 106, 1866-1867.
- ³⁷ Pettigrew, S., Rosenberg, M., Ferguson, R., Houghton, S. & Wood, L. (2013). Game on: do children absorb sports sponsorship messages? *Public Health Nutrition*. Doi: 10.1017/S1368980012005435.
- ³⁸ Fielder. L, Donovan. R, Ouschan. R, 2009, Exposure of children and adolescents to alcohol advertising on Australian metropolitan free-to-air television. *Addiction*. Jul;104(7): 1157-65.
- ³⁹ **Mr Lance Barrie, Prof Sandra Jones, Mr Michael Chapman, Mr Nicholas Corr :**'Alcohol Advertising in Televised Broadcasts of Australian Football Finals Series': Final Research Report: Centre for Health Initiatives April 2013
- ⁴⁰ **O'Brien, K., Lynott, D. & Miller, P.G. (2013). Alcohol industry sponsorship and alcohol-related harms in Australian university sportspeople/athletes.** *Drug and Alcohol Review*. 32, 241-247.
- ⁴¹ Gee, S., Jackson, S., Sam, M. (2013). The culture of alcohol promotion and consumption at major sports events in New Zealand. Commissioned by the Health Promotion Agency: Wellington.
- ⁴² Ibid
- ⁴³ Ministry of Justice Sale and Supply of Alcohol Act 2012: Reprint as at 4 October 2013
- ⁴⁴ New Zealand. Law Commission:Alcohol in our lives : curbing the harm. (Law Commission report ; no. 114) ISBN 978-1-877316-91-3 (pbk.)—ISBN 978-1-877316-92-0 (internet) part 3 Chapter 19 Advertising, sponsorship and promotion of alcohol- point 19.137)
- ⁴⁵ Alcohol Marketing and Young People: Time for a new policy agenda Alcohol marketing and young people : time for a new policy agenda ISBN: 9780949535412 (loose-leaf)
- ⁴⁶ Gerard Hastings, Oona Brooks, Martine Stead, Kathryn Angus, Thomas Anker, Tom Farrell, Failure of self regulation of UK alcohol advertising *BMJ* 2010;340:b5650 <http://www.bmj.com/content/340/bmj.b5650> accessed 11.04.2014
- ⁴⁷ Peck. R. (2011). 2010 Health and Lifestyles Survey: Alcohol Related Attitudes. Wellington: Health Sponsorship Council.
- ⁴⁸ Global Alcohol Policy Alliance - Statement of Concern February 8, 2013 THE INTERNATIONAL PUBLIC HEALTH COMMUNITY RESPONDS TO THE GLOBAL **ALCOHOL PRODUCERS' ATTEMPTS TO IMPLEMENT THE WHO GLOBAL STRATEGY ON THE HARMFUL USE OF ALCOHOL** – Summary. Available at <http://www.globalgapa.org/pdfs/who-statement-of-concern-080213.pdf>

Making a submission

Submissions close on **Monday 28 April 2014 at 5pm**.

- If you would like further information during the submission period please email alcoholadvertisingforum@moh.govt.nz and put 'Forum information' in the subject line. Please detach and return.

Name:	Dr Daniel Williams
If this submission is made on behalf of an organisation, please name that organisation here:	Canterbury District Health Board
Address/email:	Canterbury DHB, Community & Public Health, 310 Manchester Street, PO Box 1475, Christchurch 8140 Daniel.williams@chdb.health.nz
Please provide a brief description of your organisation (if applicable):	A District Health Board

There are two ways you can make a submission.

- Forward your comments, with the detachable submission form at the back of this document, to:
 - Nick Goodwin
 - Secretariat for Ministerial Forum on Alcohol Advertising & Sponsorship
 - Ministry of Health
 - PO Box 5013
 - Wellington 6145
- Electronically complete the submission form available at the back of this document, add your comments and email to:
 - alcoholadvertisingforum@moh.govt.nz
- Please put 'Forum Submission' in the subject line.**

Your submission may be requested under the Official Information Act 1982. If this happens, it will normally be released to the person who requested it. However, if you are submitting as an individual (rather than representing an organisation), your personal details will be removed from the submission if you check the following boxes:

- I do not give permission for my personal details to be released under the Official Information Act 1982.
- I do not give permission for my name to be listed in the published summary of submissions.

Introduction

The Canterbury District Health Board (CDHB) and Medical Officer of Health welcome the opportunity to contribute to this review and add weight to the recommendations of the 2010 Law Commission report *Alcohol in our Lives: Curbing the Harm* which had already comprehensively addressed this issue and received over 1960 submissions in support of increased restrictions on alcohol advertising and/or sponsorship.

Canterbury DHB, in partnership with the other South Island DHBs has adopted an alcohol position statement in support of the **5+ Solution for Alcohol Harm Reduction**¹ and has given a commitment with them to develop an alcohol harm reduction strategy. The 5+ Solution ultimately calls for an end to alcohol advertising and sponsorship and our response is aligned accordingly to this goal.

District Health Boards have a legal responsibility under s22 of the New Zealand Public Health and Disabilities Act 2000 *to improve, promote, and protect the health of people and communities* and Canterbury DHB is making this submission as alcohol has a manifest effect on people's health. The reduction of alcohol advertising and sponsorship in public life is an important tool with which New Zealand communities can minimise alcohol-related harm.

The misuse of alcohol directly contributes to significant death, disease, illness and injury to Cantabrians and therefore represents a significant burden not only to the 8300 Canterbury residents our DHB employs, but to all the people of Canterbury, be they residents, visitors and/or part of the workforce in the City. Preventable admissions to our hospitals have a direct financial cost to every New Zealand taxpayer. The human cost is immeasurable.

¹ The 5+ Solution is a set of policy directives based on the internationally acclaimed, World Health Organisation sponsored, publication, "Alcohol: No Ordinary Commodity" written by fifteen of the top alcohol and public health scientists in the world (Babor et al 2003). It has recently been further endorsed by a paper in the leading medical journal The Lancet (Anderson et al 2009).

Questions to guide your submission

1. Did you/your group/your organisation make a submission on the 2010 Law Commission report *Alcohol in our Lives: Curbing the Harm* and/or to the Justice and Electoral select committee, on alcohol advertising and sponsorship issues? **Yes or No.** If yes, please specify whether you submitted to the Law Commission and/or Select Committee.

No.

2. Do you support further restrictions on **alcohol advertising** (over and above the measures currently undertaken) to reduce alcohol-related harm?

Yes

(see over)

3. What reasons do you have for your view? Please include details.

Our primary reason is that the evidence is overwhelmingly in place to support the need for further restrictions, both in that alcohol-related harm is creating extensive preventable health, social and other health harms in New Zealand and that restricting alcohol advertising will reduce alcohol-related harm.

Specifically, we would recommend a total ban on alcohol advertising and sponsorship, which aligns to the 5+ Solution for Alcohol Harm Reduction and because the evidence is there to support this, it would have the most effect and it would be the least complex to implement and cost effective to regulate and enforce.

We know from the evidence available that exposure to alcohol advertising has a significant impact on bringing in young consumers to alcohol before they become aware of the harms that alcohol causes to their health and wellbeing and when it is in their worst interests to become drinkers, and conversely we all know that restricting this advertising will protect older children, young adults and other vulnerable groups in particular.

We do not accept the industry argument that alcohol advertising is only concerned with brand identity; patently alcohol advertising also serves to normalise alcohol consumption for all consumers. The average drinker in New Zealand currently consumes around 4-5 standard drinks per week over the Health Promotion Agencies so-called low guidelines and the evidence of this is apparent in the NZ Statistics 'alcohol available for consumption' data averaged across the known drinker rates in NZ (being 80% of the adult population).

Alcohol in our Lives points out that the self-regulation of alcohol advertising was failing to even meet the standards of the pre-Sale and Supply of Alcohol Act 2012 advertising code and that the glamorisation of alcohol was tolerated, as were advertisements with clear appeal e.g. to older children, by the Alcohol Standards Authority.

4. What evidence is available to support your view .

The evidence base to support greater controls over alcohol sponsorship and advertising is comprehensive and extensive at the time of the release of the 2010 Law Commission report Alcohol in our Lives: Curbing the Harm.

We have also reviewed the review of more recent evidence undertaken by Alcohol Health Watch.

This evidence is outlined in Appendix 1.

5. Do you think the available evidence is strong enough for changes to be made now? Explain your reasons.

Yes

The evidence base was comprehensively in support of advertising restrictions at the time of the 2010 Law Commission report Alcohol in our Lives: Curbing the Harm, and the submission process to the Justice and Electoral select committee.

Since then the evidence base has been strengthened with consistent messages about the close association of alcohol advertising and drinking behaviours.

6. Do you support further restrictions on **alcohol sponsorship** to reduce alcohol-related harm? **Yes or No.** *[Tick box]*

YES

7. What reasons do you have for your view? Please include details.

Alcohol sponsorship is a form of advertising and should be subject to the same restrictions as alcohol advertising.

We agree with the Law Commission review findings that alcohol sponsorship seeks to associate alcohol with the credibility of positive pursuits, like sport and cultural events. At the community level sponsorship also enhances the credibility of the alcohol producer and their brand(s) in such a way that bears no relation to the product they are providing.

We support the 5+ Solution for Alcohol Harm Reduction which supports a total ban on alcohol sponsorship.

8. What evidence is available to support your view (please cite references if available, or provide supporting information). Please focus on evidence since 2010 if this is available.

The evidence base to support greater controls over alcohol sponsorship and advertising is comprehensive and extensive at the time of the release of the 2010 Law Commission report *Alcohol in our Lives: Curbing the Harm*.

We have also reviewed the review of more recent evidence undertaken by Alcohol Health Watch.

This evidence is outlined in Appendix 1.

9. Do you think the available evidence is strong enough for changes to be made now? Explain your reasons.

Yes.

The evidence base was comprehensively in support of advertising restrictions at the time of the 2010 Law Commission report *Alcohol in our Lives: Curbing the Harm*, and the submission process to the Justice and Electoral select committee.

Since then the evidence base has been strengthened with consistent messages about the close association of alcohol advertising in all of its forms, and drinking behaviours.

Types of possible restrictions (if supported)

10. If further restrictions to **alcohol advertising** are necessary, what do you think should be done?

To implement with immediate effect the outstanding recommendations from the 2010 Law Commission report 'Alcohol in our Lives: Curbing the Harm' due to the strength and scope of the evidence base included and the 5+ Solution for Alcohol Related Harm for the same reasons.

In the event that a total ban is not implemented we would advise the Review to refer back to the Law Commission Review which highlights the failure of self-regulation by the alcohol industry and introduce a new system for the robust enforcement of the updated advertising standards that has no vested interest in selling alcohol.

11. How would these proposed restrictions work in practice to reduce alcohol-related harm (e.g. crime, disorder, negative public health outcomes)?

Alcohol advertising normalizes drinking and links it with social aspirations. This is evidenced extensively in the Law Commission Review and subsequent literature. A total ban on alcohol advertising and sponsorship will slow recruitment of drinkers and reduce heavier drinking by everyone and young people in particular.

In summary it will reduce alcohol-related harm in every conceivable area to which alcohol-related harm currently contributes.

These changes are not intended to be a 'magic bullet' but will be part of a comprehensive package of responses that are developing both nationally and locally to reverse the impact of alcohol on the health and wellbeing of our population.

In the longer term this package of interventions will collectively bring about a cultural shift in attitudes towards alcohol, towards the role for alcohol in professional sport and cultural family-oriented events and towards heavy drinking and intoxication.

12. What evidence is available that your proposal(s) would work?

We would refer you back to the responses to questions 4, 5, 7, 9, 10 and Appendix 1

13. What other interventions could potentially be tried in future?

We would support a total ban on alcohol advertising and sponsorship.

14. Why should these other interventions be considered?

We would refer you back to the responses to questions 4, 5, 7, 9, 10, 13 and Appendix 1

15. If further restrictions to **alcohol sponsorship** are necessary, what do you think should be done?

We would support a total ban on alcohol advertising and sponsorship.

In the event that a total ban on alcohol advertising and sponsorship is not carried out we would consider measures to remove sponsorship from any sporting pursuit and cultural event that appealed to children, given the evidence we have submitted to suggest that children are more susceptible to alcohol marketing in general.

16. How would these proposed restrictions work in practice to reduce alcohol-related harm (e.g. crime, disorder, negative public health outcomes)?

Alcohol advertising normalizes drinking and links it with social aspirations. This is evidenced extensively in the Law Commission Review and subsequent literature. A total ban on alcohol advertising and sponsorship will slow recruitment of drinkers and reduce heavier drinking by everyone and young people in particular.

In summary it will reduce alcohol-related harm in every conceivable area to which alcohol-related harm currently contributes.

These changes are not intended to be a 'magic bullet' but will be part of a comprehensive package of responses that are developing both nationally and locally to reverse the impact of alcohol on the health and wellbeing of our population.

In the longer term this package of interventions will collectively bring about a cultural shift in attitudes towards alcohol, towards the role for alcohol in professional sport and cultural family-oriented events and towards heavy drinking and intoxication.

17. What evidence is available that your proposal(s) would work?

We would refer you back to the responses to questions 4, 5, 7, 9, 10 and Appendix 1

18. What other interventions could potentially be tried in future?

In the event that a total ban on alcohol advertising and sponsorship is not carried out we would consider measures to remove sponsorship from any sporting pursuit and cultural event that appealed to children of any age to be a minimum level of restriction.

19. Why should these other interventions be considered?

We would refer you back to the responses to questions 4, 5, 7, 9, 10, 13 and Appendix 1

Impacts of proposals

20. Who would be affected by your proposals to restrict **alcohol advertising** and how?

The damaging effects of excessive alcohol consumption are felt across society. A total ban on alcohol advertising and sponsorship will form part of a package of measures to reverse that harm and so its impacts will be felt everywhere.

21. How might these proposals impact on:

- alcohol consumption, particularly among young drinkers and heavy drinkers;
- the perception of alcohol as an everyday commodity, particularly among children and young people;
- alcohol-related harm;
- businesses, such as the alcohol and advertising industries;
- the recipients of alcohol sponsorship funds; and
- different populations – e.g. youth, children, Māori, Pasifika, lower socio-economic populations.

We would refer you back to the responses to questions 4, 5, 7, 9, 10, 13, 20 and Appendix 1

The damaging effects of excessive alcohol consumption are felt across society. A total ban on alcohol advertising and sponsorship will form part of a package of measures to reverse that harm and so its impacts will be felt everywhere and impact upon everyone.

22. Who would be affected by your proposals to restrict **alcohol sponsorship** and how?

Alcohol sponsorship is a form of advertising and should be subject to the same restrictions. Similarly a total ban on alcohol sponsorship will likewise contribute to a package of measures to reverse that harm and so its impacts will be felt everywhere and impact upon everyone.

23. How might these proposals impact on:
- alcohol consumption, particularly among young drinkers and heavy drinkers;
 - the perception of alcohol as an everyday commodity, particularly among children and young people;
 - alcohol-related harm;
 - businesses, such as the alcohol and advertising industries;
 - the recipients of alcohol sponsorship funds; and
 - different populations – e.g. youth, children, Māori, Pasifika, lower socio-economic populations.

We would refer you back to the responses to questions 4, 5, 7, 9, 10, 13, 20 and Appendix 1

The damaging effects of excessive alcohol consumption are deeply felt across society. A total ban on alcohol advertising and sponsorship will form part of a package of measures to reverse that harm and so its impacts will be felt everywhere and impact upon everyone.

Ongoing and new challenges

24. What ongoing and emerging challenges does the Forum need to take into account when considering whether further restrictions on **alcohol advertising** are necessary to reduce alcohol-related harm?

We consider a total ban on alcohol advertising to be the most consistent and least challenging approach to implement. This stems from international experience that identifies that narrowly defined alcohol advertising restrictions are too easily circumvented by the alcohol industry²

25. What action, if any, could be taken to address these matters?

Not applicable – see Q24

² De Bruijn, A., Van den Wildenberg, E. & Van den Broeck, A. Commercial promotion of drinking in Europe: Key findings of independent monitoring of alcohol marketing in five European countries. Dutch Institute for Alcohol Policy. Utrecht. :Last accessed 22 April 2014 from http://www.eucam.info/content/bestanden/ammie-eu-rapport_final.pdf

26. What ongoing and emerging challenges does the Forum need to take into account when considering whether further restrictions on **alcohol sponsorship** (e.g. of sporting, cultural and other events) are necessary to reduce alcohol-related harm?

We consider a total ban on alcohol sponsorship (as a form of advertising) to be the most consistent and least challenging approach to implement. This stems from international experience that identifies that narrowly defined alcohol advertising restrictions are too easily circumvented³.

27. What action, if any, could be taken to address these matters?

Not applicable – see Q26

Other comments

28. Do you have any other comments?

Canterbury DHB is experiencing significant year on year cost increases as a consequence of dealing with the effects of alcohol-related harm and our stakeholder partners are reporting similar challenges. We would advise that restrictions to alcohol advertising and sponsorship should be expedited as soon as possible.

** * * * * End of Whole Submission * * * * *

Submission signed off by Dr Daniel Williams, Medical Officer of Health, on behalf of Canterbury District Health Board



Date: 28 April 2014

³ ibid

Appendix 1: Post-2009 evidence in support of Canterbury DHB's position on alcohol advertising and sponsorship

Evidence provided as a written review courtesy of Alcohol Health Watch and reviewed by Canterbury DHB

Summary of the evidence post 2010

In the contemporary media and communications landscape, young people are exposed to alcohol marketing at an unprecedented level and from multiple sources. Alongside more traditional modes of advertising through television and radio, the introduction of digital technologies has opened up new platforms for marketing and promotion, with alcohol companies aggressively harnessing the marketing potential of online video channels, mobile phones, interactive games, and social networks such as Facebook and Twitter.

Marketing efforts are increasingly sophisticated and multidimensional, integrating online and offline promotions with the sponsorship of music and sporting events, the distribution of branded merchandise, and the proliferation of new alcoholic brands and flavours.

Alcohol marketing in general

Research post 2010 on the effects of alcohol marketing on the drinking of younger people has further strengthened the call for an urgent policy response. A review of the evidence concludes that exposure to alcohol marketing in general reduces the age at which young people start to drink, increases the likelihood they will drink and increases the amount of alcohol they will consume once they have started to drink.

Gordon et al (2011) examined the cumulative impact of alcohol marketing on alcohol initiation and drinking behaviour among Scottish youth 12-14 years. Significant associations were found between awareness of, and involvement with, alcohol marketing and drinking behaviour and intentions to drink in the next year. The researchers concluded that given the associations, alcohol policy needed to be revised to limit youth exposure to the seemingly ubiquitous marketing communications.⁴

Cross sectional studies also find a positive effect of alcohol marketing on the drinking behaviour of young people. Lin et al (2012), found that exposure to all forms of alcohol marketing is associated with drinking by young people.⁵ They also found that having established a brand allegiance at age 13-14, was related to drinking patterns including consuming larger quantities.⁶

⁴ Gordon, R., Harris, F., Mackintosh, A. & Moodie, C. (2011). Assessing the cumulative impact of alcohol marketing on young people's drinking: Cross-sectional data findings. *Addiction Research and Theory*. 19(1): 66-75.

⁵ Lin, E-Y.J., Casswell, S., You, R.Q., Huckle, T. (2012). Engagement with alcohol marketing and early brand allegiance in relation to early years of drinking. *Addiction Research & Theory*. 20(4): p. 329-338.

⁶ Ibid.

Another cross sectional study found that exposure to alcohol advertisements among Australian adolescents is strongly associated with drinking patterns.⁷ A recent study by Siegel et al (2014) compared brand specific consumption patterns of underage youth and adults.⁸ This study found many alcohol brands that had both a high proportion of youth consumption and disproportionate consumption by underage youth compared to adults, whether measured by prevalence or market share. The popularity of these “youth oriented” brands cannot be explained solely by exposure to adult consumption patterns leading the authors to identify price, taste and alcohol marketing as influencers of the young people’s choice of beverage.⁹

Out-of-home advertising is an additional vehicle for the alcohol industry to market their products. This type of advertising includes traditional billboards and signs as well as digital displays, images on vehicles and video terminals.

In 2008, out-of-home advertising accounted for 5.6% of total marketing spending by the top twelve alcohol corporations.¹⁰ The alcohol industry is particularly interested in transit advertising which also included street furniture such as bus shelters. An Alcohol Justice Report released at the end of 2013 discussed the updated and expanded findings of a U.S study which surveyed the nation’s top twenty and California’s top ten, transit systems to determine which systems, if any, did not allow alcohol advertising. Of the 32 agencies and local governments surveyed, eighteen explicitly banned alcohol advertising and fourteen clearly allowed alcohol ads. The authors of the report made a number of recommendations from their findings which included the requirement for transit agencies who currently accept alcohol advertising to ban it with a formal agency policy as an effective contribution to the reduction of youth exposure to alcohol advertising.

What do young people think of alcohol marketing?

The Alcohol Concern Youth Policy project surveyed the views of over 2300 children and young people under 18 about if, how, and to what extent alcohol promotion should be regulated in England and Wales.¹¹ This survey revealed that young people were concerned about alcohol promotion and the majority of those surveyed wanted protection that robustly limits young people’s exposure, often supporting stronger regulation than already exists, but not measures that infringe on advertisers reaching adult audiences. The young people surveyed called for greater government involvement in regulatory decision making, more extensive health warnings and improved access to health information. Crucially, the survey findings suggest that

⁷ Jones, S.C. & Magee, C.A. (2011). Exposure to alcohol advertising and alcohol consumption among Australian adolescents. *Alcohol and Alcoholism*. 46 (5): p. 630-637.

⁸ Siegel, M., Chen, K., DeJong, W., Naimi, T.S., Ostroff, J., Ross, C.S. & Jernigan, D.H. (2014). Differences in alcohol brand consumption between underage youth and adults – United States, 2012. *Substance Abuse*. Doi: 10.1080/08897077.2014.883344.

⁹ Ibid.

¹⁰ Blakemore, J., Mart, S. & Treffers, R. (2013). *These bus ads don’t stop for children: alcohol advertising on public transit*. An Alcohol Justice Report. California:U.S.A.

¹¹ Alcohol Concern (2013). *Overexposed and overlooked. Young people’s views on the regulation of alcohol promotion*. London:UK.

significant numbers of young people fail to recognise non-media alcohol promotion such as sponsorship, and advertising on social networking sites.¹² This is similar findings to those in New Zealand.

Alcohol Advertising Self-regulation

The self-regulation of alcohol marketing has previously been described by the British Medical Association as ‘entirely inadequate’.¹³

However, there is limited peer-reviewed research on (apparent) compliance with alcohol advertising regulation in New Zealand.¹⁴ Interestingly, in 2007 the Alcohol Policy Index was compiled using extensive data on alcohol policies and alcohol consumption data from the World Health Organisation, to develop a ranking system of 30 OECD countries based on the effectiveness of policies regarding, drink driving, physical availability of alcohol, pricing, drinking context and advertising. New Zealand was given the lowest score, of one, in relation to advertising.¹⁵

Research post 2010 has painted the same picture of the ineffectiveness of the self-regulatory system. Professor Thomas Babor even went as far as to label the self-regulatory system of alcohol advertising as “spectacularly ineffective”.¹⁶

Babor et al (2013) evaluated advertising code violations using the US Beer Institute guidelines for responsible advertising and found that between 35% and 74% of the ads had code violations. Consequently, the authors suggest that the alcohol industry’s current self-regulatory framework is ineffective at preventing content violations but could be improved by the use of new rating procedures designed to better detect content code violations.¹⁷

Jernigan et al (2013) evaluated the proportion of advertisements that appeared on television programmes in 25 local television markets in the US and found that youth exposure exceeded the industry standard.¹⁸ Researchers found that approximately one in four alcohol advertisements on a sample of 40 national TV programmes popular with youths had underage audiences >30%, exceeding the alcohol industry’s voluntary codes. They concluded that if the alcohol advertising on popular national television programmes in the 25 largest television markets were eliminated and not replaced, total youth exposure to alcohol advertising on these programmes could drop by as much as one third. Comparable studies in the UK also found that alcohol imagery occurred in over 40% of broadcasts, most commonly soap operas, feature films, sport and comedies, and was equally frequent before and after the 9pm watershed. Brand

¹² Ibid.

¹³ British Medical Association (2009). Under the influence: The damaging effect of alcohol marketing on young people. London: BMA.

¹⁴ Jones, S.C. & Gordon, R. (2013). Regulation of alcohol advertising: Policy options for Australia. *Evidence base*, issue 2, ISSN 1838-9422.

¹⁵ Brand et al. (2007). Cited in above reference.

¹⁶ Babor, T. (2013). Global responses to WHO Alcohol Strategy. Personal Communications. Global Alcohol Policy Conference, Seoul, South Korea. October 8th, 2013.

¹⁷ Babor, T., Xuan, Z. & Noel, J. (2013). An empirical evaluation of the US Beer institute’s self regulation code governing the content of beer advertising. *American Journal of Public Health*. Doi: 10.2105/AJPH.2013.301487.

¹⁸ Jernigan, D. et al (2013). Youth exposure to alcohol advertising on television – 25 markets, United States, 2010. *Morbidity and Mortality Weekly Review*. Vol. 62, No.44.

appearances occurred in 21% of programmes, and over half of all sports programmes, a third of soap operas and comedies and a fifth of advertising/trailer. The authors concluded that it is likely that this exposure has an important effect on alcohol consumption in young people.¹⁹

Recent research (Ross et al 2014) further strengthens the conclusion that self-regulatory systems for alcohol advertising are ineffective. Researchers found that despite high levels of compliance with self-regulatory guidelines, in several countries youth exposure to alcohol advertising on television has grown faster than adult exposure.²⁰ The researchers found that this was a result of an increase in placement of advertisements on cable television with high concentrations of underage youth ages 18-20. They also demonstrated that for those aged 18-20 years, exposure to alcohol advertising can be reduced while maintaining exposure to adults as young as ages 21-24 by reducing underage composition placement guidelines.

Similarly, when Lyons & Britton (2013) analysed the content of tobacco and alcohol in popular UK films they also found heavy exposure of tobacco and alcohol imagery in films classified as being suitable for youth audiences.²¹ After analysing 45 of the most popular films between 2009-2011, researchers found that alcohol branding was far more frequent than tobacco branding, occurring in 22% of films. When combined with earlier findings using the same methods in films from 1989 to 2008, alcohol was present in 86% of films.

Looking at print media, similar themes emerge from the research. Smith et al (2013) analysed beer, spirits, and alcopop magazine advertisements to determine adherence federal and voluntary advertising standards.²² They assessed the effectiveness of these standards in curtailing potentially damaging content and protecting public health. They found that existing codes and regulations were largely followed regarding content but did not adequately protect against content that promotes unhealthy and irresponsible consumption. Additionally, Rhoades and Jernigan (2013) assessed the content of alcohol advertising in youth-oriented U.S. magazines, with specific attention to subject matter relating to risk and sexual connotations and to youth exposure to these ads. They concluded that the prevalence of problematic content in magazine alcohol advertisements was concentrated in advertising for beer and spirits brands, and violations of industry guidelines and addiction content appeared to increase with the size of youth readerships, suggesting that individuals aged <21 years may be more likely to see such problematic content than adults.²³

¹⁹ Lyons, A., McNeill, A. & Britton, J. (2013). Alcohol imagery on popularly viewed television in the UK. *Journal of Public Health*. Pp.1-9. Doi:10.1093/pubmed/fdt074.

²⁰ Ross, C.S., Ostroff, J. & Jernigan, D.H. (2014). Evidence of underage targeting of alcohol advertising on television in the United States: Lessons from the Lockyer v. Reynolds decisions. *Journal of Public Health Policy*. Vol.35, 1, 105-118.

²¹ Lyons, A. & Britton, J. (2013). A content analysis of tobacco and alcohol in popular UK films: an update. *The Lancet*, Vol 82, p.S66. doi:10.1016/S0140-6736(13)62491-5.

²² Smith, K., Cukier, S. & Jernigan, D. (2013). Regulating Alcohol Advertising: Content analysis of the adequacy of federal and self-regulation of magazine advertisements, 2008-2010. *American Journal of Public Health*. Doi: 10.2105/AJPH.2013.301483.

²³ Rhoades, E. & Jernigan, D.H. (2013). Risky messages in alcohol advertising, 2003-2007: Results from content analysis. *Journal of Adolescent Health*. <http://dx.doi.org/10.1016/j.adohealth.2012.04.013>.

Alcohol branding is also prominent in popular music that young people listen to. Studies have found that alcohol brand mentions in song lyrics are almost uniformly positive or neutral and are heavily concentrated among a small number of brands.²⁴ As other research has identified, positive messages about alcohol use significantly influences youth drinking behaviour. In a New Zealand content analysis of the portrayal of alcohol in televised music videos the findings were similar.²⁵ In both studies (2005 & 2010), the portrayal of alcohol in music videos was relatively common and overall the proportion of alcohol content in the music videos was higher in 2010 than in 2005. There were significant differences found by genre and the portrayal of alcohol was significantly more common in music videos where the main artist was not from New Zealand.

Brand-authored social media marketing presents a significant challenge to existing regulatory codes. Social media communications are dynamic and rapid, while existing regulatory frameworks are reactive. The scope of existing self-regulatory codes means social media alcohol marketing can achieve many of its goals without risking violations.

What do young people think about self-regulatory systems for alcohol advertising?

In the UK, a group called the Youth Alcohol Advertising Council (YAAC) consisting of young people aged between 16 and 19 years of age have the remit to scrutinise alcohol advertising against the local codes from a younger person's perspective.²⁶ After reviewing selected advertising, it is the group's task to decide whether to make a complaint to the ASA. The process has highlighted a number of important weaknesses in the regulatory controls of alcohol marketing including: being reliant on public engagement, are retrospective and slow, lack meaningful penalties or deterrents, have weak controls of internet advertising and rarely apply the spirit of the codes.²⁷ From their findings the group proposed a partial, not total, ban on alcohol advertising that places restrictions on where and how alcohol is promoted. The proposals drew on elements of France's Loi Evin (see below for more information) and prioritise the protection of young people.²⁸

A word about the social responsibility of the alcohol industry

The impact of marketing creates a social environment in which the positive aspects of drinking are dominant and normalised. For example, the 'drink responsibly' marketing messages and websites widely promoted by the alcohol companies have been shown to be understood by young people as being about moderation but also communicating positive messages about alcohol in an approach described as strategically ambiguous

²⁴ Jernigan, D.H., et al (2014). Alcohol brand references in U.S popular music, 2009-2011. *Substance Use and Misuse*. Draft article.

²⁵ Sloane, K., Wilson, N. & Imlach Gunasekara, F. (2013). A content analysis of the portrayal of alcohol in televised music videos in New Zealand: Changes over time. *Drug and Alcohol Review*, 32, 47-52.

²⁶ Alcohol Concern (2013). *Alcohol advertising regulation that balances commercial and public interest*. London: UK.

²⁷ Ibid.

²⁸ Ibid.

and that these messages also promote associations with the company conducting the marketing²⁹. This ensures that these alcohol brands become synonymous with many positive values and experiences and enhances the perception that the alcohol industry is socially responsible citizens of a community.

Sponsorship

Although the relationship is complex, the majority of research in young people shows that participation in sport is associated with greater (mis)use of alcohol, particularly in team sports. Because sport is typically charged with strong emotional valence and social identification that is not present in other activities, products presented within sporting contexts are more likely to be liked and chosen. This insight by Terry-McElrath and O'Malley (2011)³⁰ provides good support for why the majority of alcohol industry advertising and sponsorship is in sport.

Heavy episodic drinking is increasing among young people, and university/college students, but is especially problematic in sports people where rates of heavy episodic drinking and harm are consistently higher than non-sporting peers and the general population. O'Brien et al (2011)³¹ examined found that consistent with work from the US alcohol-related aggressive and antisocial behaviours were greater in male Australian university sportspeople/athletes than in their female non-sporting counterparts. These findings may represent the outcome of earlier findings that show the relationship between alcohol-sponsored sports people and higher rates of hazardous drinking.

In a subsequent study published in 2013, O'Brien et al, examined whether there is an association between receipt of alcohol industry sponsorship, and attendance at alcohol sponsor's drinking establishments, and alcohol related aggression and antisocial behaviour in university students who play sport.³² They found that higher AUDIT-C scores, gender and receipt of alcohol industry sponsorship were associated with alcohol-related aggression/antisocial behaviours in university sports people. The authors concluded that sport administrators should consider action to reduce the harms associated with excessive alcohol consumption and alcohol industry sponsorship in sport.³³

A number of studies in New Zealand have examined alcohol-related promotion during popular sports events. Gee et al (2013) analysed the alcohol-related promotion and consumption of both the live experience and the SKY Sport television broadcast of the Rugby World Cup 2011, Heineken Open Mens' Tennis Tournament 2012, The Wellington Sevens and the 2012 New Zealand International Twenty20 and One Day

²⁹ Casswell, S. (2012). Current status of alcohol marketing policy. *Addiction*, 107, 478-485.

³⁰ Terry-McElrath & O'Malley (2011). Commentary – Bad Sport – exorcizing harmful substances and other problems. *Addiction*, 106, 1866-1867.

³¹ O'Brien, K., Kolt, G.S., Martens, M.P., Ruffman, T., Miller, P.G. & Lynott, D. (2011). Alcohol-related aggression and antisocial behaviour in sportspeople/athletes. *Journal of Science and Medicine in Sport*. Doi: 10.1016/j.jsams.2011.10.008.

³² O'Brien, K., Lynott, D. & Miller, P.G. (2013). Alcohol industry sponsorship and alcohol-related harms in Australian university sportspeople/athletes. *Drug and Alcohol Review*. 32, 241-247.

³³ Ibid.

international cricket matches.³⁴ Their findings suggested once again that there is an increasingly naturalised alcohol-sport link in the entertainment experience of major sports events in New Zealand.

Pettigrew et al (2013) demonstrated for the first time in an Australian study that children are likely to be subconsciously absorbing multi-million dollar sports sponsorship messages.³⁵ More than 160 children aged between five and twelve took part in an activity that assessed their conscious and subconscious associations between sporting teams and a range of sponsors. The researchers found that more than three-quarters of the children aligned at least one correct sponsor with the relevant sport. The researchers concluded that this was a concern given the current extent of sponsorship by alcohol and fast food companies and recommended limiting children's exposure to sponsorship messages of companies promoting unhealthy food and drinks is an important element of public policy efforts.

The rise of social media

Alcohol companies have responded to the rise of social media by repositioning their marketing focus. In 2011, Bacardi announced it would 'shift up to 90% of its digital spend to Facebook as it no longer deems dotcom sites relevant'. During this same year, Diageo stated that the days of lavish websites were over and subsequently announced plans to 'step up their multi-million dollar partnership with Facebook' reporting that their Facebook fan base had increased from 3.5 to 12 million in the preceding year³⁶. Accordingly, by 2012, alcohol brands had the highest engagement rate on Facebook.³⁷ Nicholls (2012) undertook a content analysis of alcohol industry generated social media marketing material which revealed clear patterns in brand strategies such as real-world tie ins (refer to an actual branded event promoted wholly or in part via social media), interactive game (including using giveaways and competitions of some form), sponsored online events (e.g. a range of television and live comedy resurrecting cult shows and characters to stimulate conversation in an alcohol branded environment) and invitations to drink (e.g. linking consumption to the weekend and also linking brands to early and mid-week consumption).³⁸ These activities allow marketers to embed brand-related activities in the routines of social media engagement for large numbers of people, and to use social media to encourage a more routine approach to alcohol consumption.³⁹

Facebook facilitates branded conversation but also, crucially, provides marketers with access to the profile data of users who 'like' pages. These types of techniques seek to

³⁴ Gee, S., Jackson, S., Sam, M. (2013). *The culture of alcohol promotion and consumption at major sports events in New Zealand*. Commissioned by the Health Promotion Agency: Wellington.

³⁵ Pettigrew, S., Rosenberg, M., Ferguson, R., Houghton, S. & Wood, L. (2013). Game on: do children absorb sports sponsorship messages? *Public Health Nutrition*. Doi: 10.1017/S1368980012005435.

³⁶ Nicholls, J. (2012). Everyday, Everywhere: Alcohol Marketing and Social Media – Current Trends.

³⁷ Carranza, A. (2012). Alcohol and automotive industries create the most engagement on Facebook. Accessed from <http://www.examiner.com/article/alcohol-and-automotive-industries-create-the-most-engagement-on-facebook>. Accessed on 13/12/12.

³⁸ Ibid footnote 5.

³⁹ Ibid.

embed alcohol-branded activities in the daily lives of site fans and followers making it become an intrinsic element of daily norms⁴⁰. Brand-facilitated conversations can also reinforce conventional advertising and can provide quantifiable measures of audience response to campaigns – contributing to a far more sophisticated consumer knowledge base than ever before.

The rapid growth in the use of new social networking technologies raises issues regarding alcohol marketing. There is now clear evidence its impact on the consumption of young people. Young people, for example, routinely tell and re-tell drinking stories online, share images portraying drinking, and are exposed to often intensive and novel forms of alcohol marketing. McCreanor et al (2013) conclude that social networking systems are positive and pleasurable for young people, but are likely to contribute to pro-alcohol environments and encourage drinking.⁴¹ Niland et al (2014) go further and suggest that the ways in which young adults' talked about and understood their uses of Facebook within their drinking practices meant that young people often depicted their drinking as pleasurable and without negative consequences.⁴² These findings further reinforce the relationship between social learning theory and youth drinking behaviours.

Solutions

The protection of alcohol marketing has been a major focus for vested interest groups and this has affected governmental responses at national and international levels. The policy response to tobacco marketing provides a clear contrast to that of alcohol marketing policy. Comprehensive restrictions on tobacco marketing resulted in a decline of 7.4% in OECD countries with some indication that a cumulative effect might occur⁴³. There are a number of existing examples of international and national legislation that could be useful in the alcohol policy setting:

1. The Framework Convention on Tobacco Control provides an appropriate model for global governance to control alcohol marketing. This model has been found both feasible and valuable in controlling tobacco marketing.
2. France's Loi Evin regulation system – In place since 1991, Loi Evin governs alcohol advertising across media in France. This means that there is no alcohol advertising on television or cinemas and no sponsorship of cultural or sport events. Alcohol advertising is only allowed in press aimed at adults, on billboards, on radio channels (under precise conditions), and at special events or places like wine fairs and wine museums. When advertising is permitted, content is controlled: messages and images should refer only to the qualities of the products like ABV, origin, composition, means

⁴⁰ Ibid.

⁴¹ McCreanor, T., Lyons, A., Griffin, C., Goodwin, I., Moewaka Barnes, H. & Hutton, F. (2013). Youth drinking cultures, social networking and alcohol marketing: implications for public health. *Critical Public Health*, Vol 23, no.1, 110-120. <http://dx.doi.org/10.1080/09581596.2012.748883>.

⁴² Niland, P., Lyons, A.C., Goodwin, I. & Hutton, F. (2014). "See it doesn't look pretty does it?" Young adults' airbrushed drinking practices on Facebook. *Psychology & Health*. Doi: 10.1080/08870446.2014.893345.

⁴³ Casswell, S. (2012). Current status of alcohol marketing policy. *Addiction*, 107, 478 – 485.

of production, patterns of consumption and health messages are required on each advertisement.⁴⁴

3. Iceland – All alcohol advertising and broadcasting is banned.
4. Sweden - Swedish legislation prohibits advertising of alcohol over 2.25% abv in all media. The law allows only trade magazines to advertise alcohol. Alcohol ads are not permitted on radio or television, including satellite.
5. South Africa – Cabinet approved a draft bill banning all alcohol advertising at the end of 2013.
6. Finland – Prohibit advertising of mild alcoholic beverages in public places in Finland with the aim of reducing the situations where children and youth are exposed to alcohol advertising.
7. New Zealand’s Health Sponsorship Council – The Health Sponsorship Council was established in 1990 following the enactment of the Smokefree Environments Act 1990. This was to provide an alternative to tobacco sponsorship in New Zealand.
8. Australia’s ‘Be the Influence’ strategy – An increase in tax on Alcopops in Australia was ring-fenced to provide replacement government funding for 12 leading sporting organisations to end all existing and future alcohol sponsorship agreements. Sports involved include soccer, basketball, netball, swimming cycling and hockey.

⁴⁴ Alcohol Concern UK Briefing (2010). *Overexposed – Alcohol marketing during the World Cup 2010*. Accessed from Alcohol NZ, April 2011. ALAC: Wellington.

28 April, 2014

Nick Goodwin
Secretariat for Ministerial Forum on Alcohol Advertising & Sponsorship
Ministry of Health
PO Box 5013
Wellington 6145

Submission

Forum on Alcohol Advertising & Sponsorship



**From Clendon/Manurewa CAYAD Reference Group
(CAYAD - Community Action Youth and Drugs)**

Introduction:

Community Action Youth and Drugs (CAYAD) is a national programme to reduce drug related harm among young people. CAYAD operates in 25 sites in cities, towns and rural areas across New Zealand using a community action approach. Each CAYAD site engages their local community to develop projects to achieve four outcomes:

1. Increased informed community discussion and debate about issues related to illicit drugs;
2. Effective policies and practices to reduce harm adopted;
3. Increased local capacity to support young people in education, employment and recreation;
4. Reduced supply of drugs to young people.

CAYAD's are based in local communities, a major focus of their role is to identify and support effective solutions to alcohol and drug issues within their communities so that there are more positive opportunities and outcomes for children and young people. This is achieved by working across sectors with community groups, Marae, government agencies, schools, youth and treatment services, parents/whanau, Auckland Council and Police.

The CAYAD Reference Group membership is made up of residents and stakeholders from the Clendon/Manurewa community who invest in proven and culturally appropriate early intervention programmes to address underlying social issues facing our young people. We would like to contribute the following feedback towards the **Forum on Alcohol Advertising & Sponsorship**.

This submission was completed by;

Name: Clendon/Manurewa CAYAD Reference Group

Address: C/- Te Matariki Community Centre
17 Palmers Rd
Clendon 2103

Contact person;

Email: winnie.hauraki@aucklandcouncil.govt.nz

Position: Senior CAYAD Advisor

Summary:

The research says the more alcohol promotion young people see, the earlier they start to drink, and the more they drink. The earlier they start to drink, the greater their risk of becoming a heavy drinker and the more they drink, the greater the harm (to them and others).

Our community say's ban alcohol sponsorship and restrict advertising, Health agencies say implement the Law Commission's recommendations to restrict alcohol advertising and sponsorship:

Step 1- introduce laws to restrict young people's exposure to alcohol advertising

Step 2- ban most forms of alcohol advertising in all media and ban alcohol sponsorship of sporting/cultural events

Recommendations:

The Clendon Manurewa CAYAD Reference Group strongly support greater restrictions on alcohol promotion/advertising and sponsorship to delay the age at which young people start to drink, to help de-normalise alcohol, and to reduce harmful drinking.

Alcohol sponsorship of sports, music festivals and other cultural events normalise alcohol to young people and must end. We have done this in New Zealand for tobacco, and in Australia the government has recently completed a 'buy-out' (replacement) of alcohol sponsorship in community sports clubs.

1. The Government should fully implement the recommendations on advertising and sponsorship made by the New Zealand Law Commission in Alcohol In Our Lives (Chapter 19) to ensure:
 - no alcohol-related sponsorship of any cultural or sports events or activities
 - no alcohol advertising or alcohol sponsorship in any media (television, radio, internet and so on), other than advertising of objective product information
2. These changes should be enforced by law through amendments to the Sale and Supply of Alcohol Act, 2012
3. The new law should restrict future forms of alcohol promotion by default, with penalties that will effectively discourage promoters from breaking the law

We include response to specific questions from the forum in the following page(s).

1. Did you/your group/your organisation make a submission on the 2010 Law Commission report Alcohol in our Lives: Curbing the Harm and/or to the Justice and Electoral select committee, on alcohol advertising and sponsorship issues?

Yes

2. Do you support further restrictions on **alcohol advertising** (over and above the measures currently undertaken) to reduce alcohol-related harm?

Yes

3. What reasons do you have for your view? Please include details.

We believe we need to reduce the alcohol advertising because it is directly linked to our binge drinking culture.

We feel young people need to be educated to make better choices and prevent the glorification of alcohol which we feel is what is currently occurring.

It is common knowledge that alcohol is addictive and bad for your health. Statistics show alcohol contributes to a huge percentage of accident and medical admissions and deaths therefore we should shift towards what was done regarding cigarettes and reduce alcohol advertising and sponsorship – as we are promoting mixed messages.

At a young age children are conditioned to believe alcohol is something that will calm you down, make you feel better, help you become more confident and is the “reward” at the end of the day.

Alcohol advertising is also occurring on social media sites such as Facebook which is targeting a young audience.

4. What evidence is available to support your view (please cite references if available, or provide supporting information). Please focus on evidence since 2010 if this is available.

Study in South Africa - http://www.scielo.org.za/scielo.php?pid=S0256-95742012000700010&script=sci_arttext&tIng=es (2012)

Outlet density in NZ - <http://jech.bmj.com/content/65/10/841.short> (2010)

5. Do you think the available evidence is strong enough for changes to be made now? Explain your reasons.

Yes

We think it is a no brainer to be honest – alcohol is killing our young people.

6. Do you support further restrictions on **alcohol sponsorship** to reduce alcohol-related harm? **Yes**

7. What reasons do you have for your view? Please include details.

Children and young people look up to the All Blacks. They are sponsored by a brand of beer (alcoholic) therefore every game they are subliminally absorbing that brand and what it stands for. They also witness their families and parents engaging in social alcohol drinking during games etc and learnt quickly the differences – some of them would also see mum or dad “happy” after a couple of drinks. They grow up with these learned behaviours.

We accept it is family responsibly but the advertising that goes along with games and the psychology behind brand advertising is well researched. We think what they did for cigarettes they should do for alcohol – both cause significant harm or even death.

8. What evidence is available to support your view (please cite references if available, or provide supporting information). Please focus on evidence since 2010 if this is available.

Australian study advertising and young people binge drinking culture
<http://alcalc.oxfordjournals.org/content/46/5/630.short> (2012/2011)

9. Do you think the available evidence is strong enough for changes to be made now? Explain your reasons. **Yes**

Types of possible restrictions (if supported)

10. If further restrictions to **alcohol advertising** are necessary, what do you think should be done?

No alcohol advertising on social media
No billboards

11. How would these proposed restrictions work in practice to reduce alcohol-related harm (e.g. crime, disorder, negative public health outcomes)?

We want our next generation to have a better understanding of the dangers of alcohol and to not grow up saturated in alcohol advertising which encourages early experimentation.

Impacts of proposals

20. Who would be affected by your proposals to restrict **alcohol advertising** and how?

Young people will receive more education and less advertising glorifying and pushing them towards our binge drinking culture – young people may have more knowledge and less pressure to drink less and drink responsibly.



HAWKE'S BAY CAYAD

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www.cayad.org.nz

28 April 2014

Mr Graham Lowe ONZM, QSM
Chair
Ministerial Forum on Alcohol Advertising and Sponsorship

Submission to the Ministerial Forum on Alcohol Advertising and Sponsorship

Tena koe te rangatira e Graham, nga mihi nui ki a koutou te komiti.

My name is Kevin Tamati. I am a former rugby league international having played 22 Tests for the NZ Kiwis. I hold the degree of Bachelor of Maturanga Maori.

In my work I am a regional co-ordinator for Hawke's Bay CAYAD - Community Action Youth and Drugs - which is a national project to reduce harm to young people and families/whanau from illicit drugs and alcohol. I link alcohol and other drugs together because to my observation alcohol is the gateway drug. I've learned that in fact most drug users are poly-drug users, that is, they use many drugs, but the common denominator is alcohol.

I think we need to remind New Zealanders that alcohol is just another drug, In fact it is a psychoactive substance, a legal high.

I don't really understand why people drink alcohol or take other drugs, but I accept that it's a social reality and that people do so for a range of reasons including religious beliefs. I don't drink or smoke and I've never taken recreational drugs.

When I played international competitive sport I was a non-drinker in a drinkers' code. I saw alcohol destroy many careers and families. In recent years my work with Community Action Youth & Drugs has meant I've encountered new stuff like methamphetamine (P), "volatile substances", and the new so-called legal highs and other things that I've never heard of or considered to be an intoxicant. I've seen the grim consequences of use. I've also seen that if we take a health-centred approach prevention is increased and recovery assisted.

The Government's drug and alcohol strategy has three pillars, Supply Control, Demand Reduction and Harm Minimisation.



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The issues you are considering run across all three pillars, but for me the most obvious is the impact on demand reduction. If there is no demand, or low demand, then obviously the other pillars or areas of concern are also reduced.

To my mind the most significant thing we can do in Aotearoa/New Zealand is to delay the uptake of young people of the use of alcohol and other drugs. This helps young people stay at school and/or in contact with education and training.

Let me tell you a little bit about the context of my work. Hawke's Bay CAYAD operates over both the cities of Napier and Hastings, servicing a population of over 130,000. This population features a relatively high proportion of typical 'high risk' communities in that it has twice the average proportion of Maori citizens. Our people are young, we have a higher than average number of youth under 18 neither in education, training or employment, and we have a local economy that focuses on wine, tourism, and the good life.

Hawke's Bay has a very high rate of the consumption of this legal high called alcohol. According to the Joint Alcohol Policy Research group nearly a quarter of Hawke's Bay drinkers can be classified as hazardous drinkers. Approximately half of all offending in Napier and Hastings is alcohol-fuelled. The estimated cost of alcohol-related harm for hospitalisation and injury in Hawke's Bay is around \$25 million per year. We also know that nationally around 1,000 New Zealanders a year die from alcohol-connected factors. Of course alcohol is sold at every supermarket, and bottle stores pepper-pot every shopping centre.

We recently have had much marching and beating of drums about legal highs but here we have a very pervasive legal high being sold with hardly a hackle raised.

Why is this? From my observation its because alcohol has been allowed to dominate our social expression. Being intoxicated has become normalised. The introduction of the Sale of Alcohol Act and the prohibiting the supply of alcohol to a person under the age of 18 without the express permission of their parents or guardian has introduced a welcome opportunity to start a culture change.

Imagine if in a decade's time we had a whole cohort of young people reaching the age of 18 without ever having drunk alcohol (or for that matter smoked tobacco or taken other psychoactive substances). That might lead us to a behaviour where being sober was the normal thing.

I'm not arguing for prohibition. I'm not suggesting that everyone should be a teetotaler.

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But it must be obvious to any person willing to honestly reflect on the situation that the nation's current use of alcohol is unhealthy and that we have a duty of care to our young people to make wise policy decisions so they can have the best chance to be all that they can be.

I think alcohol advertising, and its first cousin, alcohol sponsorship, is a major impediment to our nation fulfilling its potential. I run a Maori sports academy called "Puawaitanga". Puawaitanga refers to the flowering of potential. The being all you can be.

I look forward to the day when alcohol is not part of a sports club and our young people are not induced to drink alcohol because they see their heroes doing it.

I realise that many clubs and codes need revenue and I suggest that some of the excise tax drawn from alcohol is directed to support young people in their sporting endeavours. This should not just be for the elite but for those who simply want to participate and get a natural high.

I don't believe the alcohol industry can or will self-regulate in terms of advertising and that we need to establish an independent body to do that.

I support the recommendations made by the Law Commission in their Report in 2010.

I urge you to do all that is in your powers and to make recommendations for the good of our nation's young people – Kiwis one and all.

Signed

Kevin Tamati. BMM

kevin@hbcayad.org.nz

Kevin Tamati Hawke's Bay CAYAD PO Box 7070 Taradale

Protect our young people

Increase restrictions on alcohol advertising & sponsorship

The research says:

- The more alcohol promotion young people see, the earlier they start to drink, and the more they drink
- The earlier they start to drink, the greater their risk of becoming a heavy drinker
- The more they drink, the greater the harm (to them and others)

Our communities say:

Ban alcohol sponsorship and restrict advertising*

Our health agencies say:

Implement the Law Commission's recommendations to restrict alcohol advertising and sponsorship

- Step 1- introduce laws to restrict young people's exposure to alcohol advertising
- Step 2
 - ban most forms of alcohol advertising in all media
 - ban alcohol sponsorship of sporting/cultural events

What do you say?

* View of most New Zealanders submitting to our alcohol law reform process *Alcohol in Our Lives: Curbing the Harm*. Law Commission, (2010).

Submission to the Ministerial Forum on Alcohol Advertising and Sponsorship

Post to: Nick Goodwin, Secretariat for Ministerial Forum on Alcohol Advertising & Sponsorship, PO Box 5013, Wellington 6145

Name: _____

Address/email: _____

Submission:

Introduction:

I strongly support greater restrictions on alcohol promotion/advertising and sponsorship to delay the age at which young people start to drink, to help de-normalise alcohol, and to reduce harmful drinking.

Alcohol sponsorship of sports, music festivals and other cultural events normalise alcohol to young people and must end. We have done this in New Zealand for tobacco, and in Australia the government has recently completed a 'buy-out' (replacement) of alcohol sponsorship in community sports clubs.

Recommendations:

1. The Government should fully implement the recommendations on advertising and sponsorship made by the New Zealand Law Commission in *Alcohol In Our Lives* (Chapter 19) to ensure:
 - no alcohol-related sponsorship of any cultural or sports events or activities
 - no alcohol advertising or alcohol sponsorship in any media (television, radio, internet and so on), other than advertising of objective product information.
2. These changes should be enforced by law through amendments to the Sale and Supply of Alcohol Act, 2012.
3. The new law should restrict future forms of alcohol promotion by default, with penalties that will effectively discourage promoters from breaking the law.

Signed: _____ Date: 22 April 2014

Note: This submission may be requested under the Official Information Act 1982. If this happens, it will normally be released to the person who requested it. However, your personal details will be removed from the submission if you check/tick the following boxes:

X I do not give permission for my personal details to be released under the Official Information Act 1982.

X I do not give permission for my name to be listed in the published summary of submissions.

Ministerial Forum on Alcohol Advertising & Sponsorship

Philip Siataga
CAYAD Otautahi Coordinator
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Christchurch

Nick Goodwin
Secretariat for Ministerial Forum on Alcohol Advertising & Sponsorship
Ministry of Health
PO Box 5013
Wellington 6145

28th April 2014

Dear Ministerial Forum

Thank you for the opportunity to present our views on the impacts of Alcohol Advertising & Sponsorship. I have chosen not to respond on the submission form but to present a brief Pasifika lens on the relevant issues.

I am Senior Practitioner CAYAD Coordinator, a National Ministry of Health programme, which utilises community action methods to reduce harm from drugs. I have been a Pacific Advisor to the former Alcohol Advisory Council of New Zealand and am currently a Pacific Advisory Group member to the Health Promotion Agency, and current member of the New Zealand Drug Foundation Board.

In 2010, a Drua: Pacific National Treatment Forum¹ presented a written and oral submission on Alcohol Reform Bill. I was tasked with writing that document on Behalf of Drua network and coordinating our response. Drua is a national network of Pasifika health and social services who work in the Addiction treatment field.

The submission has asked for updated information from 2010 in a context where there is a significant paucity of research available on Pasifika Peoples.¹ I note also that appeals to lack of direct causal research between sponsorship and alcohol related harm should not hamstring what we know anecdotally is impacting Pacific peoples communities. Alcohol research from a more robust social science perspective considers the partial and wholly attributable harms from Alcohol, and most research identifies a variety of influences – (the purpose of advertising is after all about influencing behaviour).

It has been a wider concern that Pacific peoples in local communities are often unaware and not engaged more significantly in this discussion and that strategies in a mixed-regulatory

model need to be developed. Further a lack of ‘evidence’ based research in this specific space does not serve our health and wellbeing aspirations.

There is a need for investment into robust monitoring and evaluation of Pasifika peoples involvement in the current regulatory system- (for example: how well are Pasifika stakeholder groups informed on the relevant codes? How have pacific people be engaged in there communities concerning complaints of advertising procedures.

A significant finding of Te Rau Hinengaro (2006) a national epidemiological study identified higher rates of hazardous alcohol use was more prevalent among Pacific people:

- Alcohol/abuse was 3.7% among Pacific peoples compared with 2.6 % of total population (12 Month)
- Alcohol prevalence dependence was 3.4 % among Pacific people compared with 1.3% for New Zealand Population (12 month)

Notably, I remind the forum that the comprehensive Law Commission review also commented that, We concur with the Law Commissions comment that,

To the extent to which the harmful use of alcohol is preventing our young people and sections of the Maori and Pacific Island population from realising their potential as productive and healthy citizens of this country is a matter of concern to all New Zealanders.

Our concerns have not abated a few years on:

Pacific Young people are exposed to a social binge drinking culture.

The continued exposure of our youth to a ‘binge drinking cultural norm’ is creating a social burden that we do not believe our society, our diverse Pacific communities and our workforce can or should be expected to reasonably cope with. We are very concerned that without a significant transformation of our binge drinking culture, we will face irreparable social damage over the next decade and a generation of Pacific young people will be the victims.

Delaying the onset /beginning of drinking

We strongly endorse policy and legislation which aims to delay the onset of drinking among young people. We therefore strongly support an approach that reflects the need to limit **exposure, accessibility and availability** of alcohol to young people. In general we support an approach which is protective of children and young people in their formative years. That means transforming adult attitudes and behaviors as well as restricting availability.

Demand Reduction

Marketing and Advertising

There is a significant body of evidence which highlights that exposure to media and commercial advertising of alcohol is associated with the likelihood that adolescents will start to drink alcohol, and increases drinking volume for those already drinking.² We are concerned that major alcohol companies have successfully embedded their brands in our sporting culture, especially at the national level. Much stronger regulatory controls on alcohol industry advertising are needed. The current restrictions on how alcohol is promoted and advertised are incongruent with civic aspirations for the wider public good.

One of our major concerns is that some Alcohol TV advertising continues to promote the idea that possession of large quantities of alcohol is desirable. It is a small leap to assume that what is intended is also the consumption of large quantities. It is a key message by inference which is being communicated, and we believe this is simply a gross manipulation of the media. Such advertisements may not be showing drunkenness, but this does not prevent them from communicating that more alcohol = likelihood of a party involving heavy drinking.

It is our view that the current Liquor code's principles are easily circumvented. The penalties for breaching a code are minimal. Further, in the event that an advertisement is ruled to be breaching its self-regulated code, the use of media and news can be manipulated to promote more focus on the product being advertised. The current code for advertising liquor is not offering sufficient safeguard for the public good. We consider it is an ethical imperative of Government to redress this.

The **Code for Advertising liquor Principle 5**, which relates to sponsorship, seems facile in light of a major beer company's sponsorship of the Rugby World Cup in 2011. The restriction on the sponsor that its product can only be presented in a subordinate manner means very little when the beer brand is associating itself with our 'National game', and by this association the kind of drinking culture we are opposed to. It appears to us that this does not comply with the Liquor Codes Principle 4 which clearly states that, *liquor advertising shall not use or refer to identifiable heroes or heroines of the young?* The inference of association with the World Cup tournament is as good as directly *referring* to the game's elite players, many of whom are Pasifika people. *Pacific sporting heroes are influencing the behaviour of young Pacific peoples.*

Proposed Advertising and Marking reforms

Strengthening regulations around promotions at the point of sale and ensuring that alcohol advertising doesn't have special appeal for people under the purchase age is, in our view, a component of what should be a much more comprehensive limitation

² Anderson et al Special Issue: The Message and the Media. Impact of Alcohol Advertising and Media exposure on Adolescent Alcohol Use: A Systematic Review of Longitudinal Studies. In *Alcohol & Alcoholism* Vol.44, No.3, pp.229-243, 2009; Scientific Opinion of the Science Group of the European Alcohol and Health Forum, 2009, *Does Marketing communication impact on the volume and patterns of consumption of alcoholic beverages, especially by young people? A Review of longitudinal studies.*

on the marketing and advertising of alcohol. The Law Commission has recommended a phasing out approach to advertising. We agree there needs to be a phased approach. We desire as an end result of whatever mechanism is established to achieve the following:

Proposed Reform

- No alcohol promotion permitted through television, radio or cinema advertising
- **End alcohol promotion permitted through sponsorship of cultural (especially music or sporting) events**
(Sponsorship covers: sports events, teams and clubs now routinely involve, naming rights, and mentions in sports commentaries; signage on clothing, sports grounds and products retailed to fans; and opportunities for direct marketing through product donations and exclusive pourage rights.)
- **No logos or marketing slogans on sports equipment, sportswear, sport paraphenalia**
- Limited advertising permitted in printed media
- No alcohol advertising on public transport
- No alcohol advertising on billboard
- Marketing of alcohol at youth be explicitly prohibited.

In conclusion, I would like to make an oral presentation to the forum.

Thank you again for the opportunity to continue to your important mahi.

Sincerely

Philip Siataga

Siataga, P. (2011). Pasifika child and youth wellbeing: roots and wings, in Office of the Prime Minister's Science Advisory Committee, *Improving the Transition, Reducing Social and Psychological Morbidity During Adolescence: A report from the prime minister's chief science advisor*. Auckland: Office of the Prime Minister's Science Advisory Committee

Alcohol Advisory Council of New Zealand. Submission to the New Zealand Law Commission on the Alcohol in our Lives Issues Paper. 23 October 2009.

Oakley Browne MA. Wells JE. and Scott KM. (eds). (2006). *Te Rau Hinengaro: The New Zealand Mental Health Survey*. Wellington: Ministry of Health.

¹ Drua is a national network of Pasifika people who work in various capacities to reduce drug harm in New Zealand. In 2004, a National Pacific Treatment Forum network was established to present Pasifika viewpoints on a range of Addiction issues. This has grown from a Treatment focus to include a range of Pacific professionals across the health and social service spectrum. We are a pan-pacific group who meet regularly and share our stories, our concerns and to provide advice to range of stakeholders on Pasifika issues

Nick Goodwin
Secretariat for Ministerial Forum on Alcohol Advertising and Sponsorship
Ministry of Health
PO Box 5013
Wellington 6145

22 April 2014

Dear Nick Goodwin

Submission on alcohol advertising and sponsorship

Christchurch City Council staff thanks the Ministerial Forum on Alcohol Advertising and Sponsorship for the opportunity to provide evidence to inform its deliberations. Staff encourages the government to continue its legislative work programme to reduce alcohol-related harm in the community and commend it for initiating this investigative forum into alcohol advertising and sponsorship.

This submission is made by staff from the Christchurch City Council, but the elected members of the Council have also had opportunity to provide input and review it.

The Council has a strong involvement in alcohol-related matters across a range of activities:

- District licensing and enforcement
- Community safety and crime prevention programmes and advice
- Hospitality sector liaison and joint-sector initiatives
- Collaborative relationships with key enforcement and treatment agencies such as the Police and the Canterbury District Health Board
- Regulatory policy and bylaws

This submission offers responses to some of the questions suggested by the Ministerial Forum – the relevant question is italicised after respective comments below. Staff have prepared this submission within the scope of the Ministerial Forum's investigations and therefore limit their comments to information and evidence since 2010. However, staff note that the Council has had a much longer-term interest in alcohol-related matters and has made full submissions to previous government processes related to alcohol: to the Law Commission, to the Select Committee on the Alcohol Reform Bill, and at the development phase of the regulations to support the Sale and Supply of Alcohol Act 2012 (*question 1*).

Further controls on alcohol advertising

The Christchurch City Council maintains its stance in previous submissions to the government that the self-regulation of alcohol advertising by industry and retailers is inadequate. In order to impose sufficient regulation to reduce the harmful effects of alcohol in the community a legal framework and statutory body is required.

Staff recommend that an inter-departmental committee should be tasked with preparing appropriate legislative measures to reduce exposure to alcohol advertising, especially by young people who are being specifically targeted and adversely influenced by powerful advertising messages about drinking alcohol (*questions 2-3*).

Recent evidence used to support this submission

In 2013 the Christchurch City Council developed a provisional Local Alcohol Policy (LAP) for its district. The Council was one of the first local bodies to commence work on a LAP, reflecting the Councillors' strong concern at the continued harm from alcohol consumption and habits occurring in the community. There was extensive community engagement throughout the development of the provisional LAP and the formal consultation on the proposed policy drew 4,060 submissions.

The data and material submitted by statutory consultees (Police, Medical Officer of Health and Licensing Inspectors) and other stakeholders, are cited as evidence here to the Ministerial Forum. Although alcohol advertising and sponsorship are outside the scope of matters that can be addressed in a LAP, a number of submitters did comment that these are negative contributors to the underlying binge drinking culture. Also, many submitters commented on the need for multiple tools to redress the harm caused by alcohol, with curbs on sponsorship and advertising being suggested as integral to this.

The Police submission on the draft LAP reported a continued high occurrence of alcohol-related harm in the community. They estimate that nationally approximately one third of all offending is alcohol related and that 80-90% of all offending at identified high risk times/days in certain crime types is alcohol related (i.e. wilful damage, grievous or serious assaults, sexual offences and alcohol licensing offences).

The Canterbury Police District Commander urged, "*We must have the courage to make difficult and controversial decisions if we are to change attitudes to alcohol in this country*".

"Canterbury Police District leads the nation in "drunks taken to detox cells or home" and in apprehensions for disorder. Since February 2011, there has been a displacement in alcohol-related issues across the Christchurch metropolitan area. Crime data from 2012 indicates that alcohol-related crime (such as disorder and violence) has increased in these areas since the earthquakes.

"The Christchurch policing experience is that the city, both pre and post earthquake is over-represented when compared to the national figures...For example:

- *The ACC Christchurch City Alcohol Profile 2011 indicates "drunks taken to detox by Police per 10,000 population" for New Zealand is 40.8. For Christchurch City the same measure is a staggering 216.9*

- *The fourth quarter of 2012 saw a record 979 people taken into Police custody or taken by Police to some other safe place due to being too intoxicated to care for themselves*
- *The first quarter of 2013 saw a record 792 people taken into police custody or taken by Police to some other safe place due to being too intoxicated to care for themselves*
- *April 2013 saw Canterbury Police District lead the nation in “drunks taken to detox/home” and in “apprehensions for disorder” with 244 and 298 respectively – more than any other Police District .”¹*

The Canterbury District Health Board’s submission provides evidence of the high medical and social costs incurred in the community by alcohol-related accidents and chronic health conditions.

“In Christchurch, the development of new tools to track alcohol-related emergency and in-patient admissions is giving us direct evidence and detail of the impact of alcohol on the health of the local population. What it tells us is that in addition to the highly visible crime, violence, anti-social behaviour, deaths, accidents, alcohol dependence and intoxication that results from alcohol misuse in Christchurch, there is also a significant amount of chronic disease and ill-health experienced by many Christchurch residents”.²

The submission then referred to data, some of which is included here as Attachment 1. (*question 5*).

These submissions illustrate the extent of the continuing harm that alcohol causes in our district, as elsewhere. They point to an urgent need for government-led action to reinforce the objectives of the Sale and Supply of Alcohol Act 2012 by introducing further regulatory measures to curb and control other aspects of the alcohol industry’s influence on drinking habits and social norms – via advertising and sponsorship.

Other submissions on the Christchurch City Council’s draft LAP included calls from healthcare providers, local residents’ groups, individuals and a primary school for greater controls on alcohol advertising, such as:

- There needs to be a reduction in secondary harms from alcohol such as “obtrusive alcohol price advertisements”
- Local authorities (e.g. community boards) should have delegated powers to limit the amount of premises’ exterior alcohol product advertising in a local area
- There should be curbs on hospitality venues promoting alcohol “specials” on the exterior of their premises (e.g. two for one price drinks)

¹ New Zealand Police (2013). Submission to the Christchurch City Council on the draft Local Alcohol Policy. Submission available on CD ROM and from the Council. A summary of all submissions is available at: <http://resources.ccc.govt.nz/files/thecouncil/policiesreportsstrategies/policies/groups/alcohol/draftlapsummaryandanalysisofsubmissionsjuly2013.pdf>

² Canterbury Medical Officer of Health/Canterbury District Health Board (2013). Submission to the Christchurch City Council on the draft Local Alcohol Policy. Submission available on CD ROM and from the Council.

- Government and local authorities need to counter the normalisation of alcohol as a household commodity (e.g. that it can be readily purchased at the same time as supermarket food staples) as this contributes to the perception that alcohol is a risk-free, ordinary product³ (*question 4*).

The written submissions and verbal presentations by 163 submitters on the LAP showed a groundswell of consensus that effective, multi-faceted action needs to be taken to minimise alcohol-related harm. The Hearings Committee noted in their report and recommendations, that:

“Opinions on most provisions in the LAP were expressed strongly, reflecting diverse and committed views...There was wide consensus that alcohol does cause harm in the community and that steps need to be taken to minimise it. However, there was little consensus as to the extent to which this is a matter for individuals, central government, local authorities, retail sector or hospitality providers to take responsibility for.”⁴

Thus there is a shared recognition of harm by stakeholders and community, yet an unwillingness to accept culpability. This must send a clear signal to the Ministerial Forum of the need for government-led regulations to restrict and control advertising of alcohol, rather than relying on voluntary industry accords.

Further controls on alcohol sponsorship

The Council provides financial and operational support for a range of one-off and regular events, as part of achieving its Community Outcomes of encouraging strong communities and participation in recreational activities, and attracting visitors.

In 2001, the Christchurch City Council adopted its Policy to Reduce Alcohol-related Harm at Public Events⁵. This states that the Council will “*extensively explore other avenues before accepting alcohol sponsorship at public events*”.

However, the Council acknowledges that for some events that it supports, alcohol sponsorship is part of the event branding and/or budget.

The Council believes that operating conditions required as part of granting Special Alcohol Licences help to ensure that the sale and consumption of alcohol is managed safely and responsibly at public events. Organisers are required to collaborate to ensure that there is effective joint planning with key stakeholder groups (e.g. Police, St John’s Ambulance), to minimise risks. Pro-active, effective ongoing cross-sector liaison and the use of local regulatory measures (such as alcohol bans in public spaces) also help achieve successful, safe outcomes for attendees, enforcement services and healthcare providers (*question 7*).

³ A summary of all submissions is available at:
<http://resources.ccc.govt.nz/files/thecouncil/policiesreportsstrategies/policies/groups/alcohol/draftlapsummaryandanalysisofsubmissionsjuly2013.pdf>

⁴ Christchurch City Council (2013). Report of the Hearings Committee of the Whole Council on the draft Local Alcohol Policy submissions. Available at: <http://resources.ccc.govt.nz/files/TheCouncil/policiesreportsstrategies/policies/groups/alcohol/LAP-HearingsCommitteeReportOct2013.pdf>

⁵ Christchurch City Council (2001). Policy to reduce alcohol-related harm at public events. Available at: <http://www.ccc.govt.nz/thecouncil/policiesreportsstrategies/policies/groups/alcohol/alcoholrelated.aspx>

The Council recognises that alcohol sponsorship of events, premises and activities may be seen as another example of the social normalisation of the product. However, given the active steps the Council is already taking to manage the impacts of alcohol at sponsored events, activities and premises, at this time it does not have local evidence to support any further restrictions on alcohol sponsorship (*question 6-7*).

Conclusion

Thank you for the opportunity to provide information about this important matter that affects our local community. The Council does not wish to present in person its submission to the Ministerial Forum, but is happy to provide further information if requested.

Yours sincerely

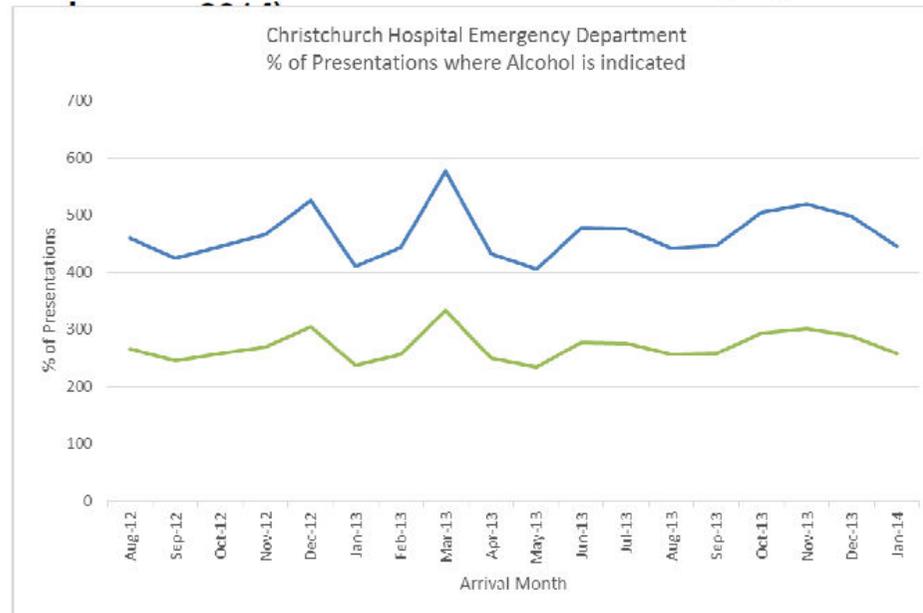
A handwritten signature in blue ink, appearing to read 'Alan Bywater', is written over a light blue circular stamp.

Alan Bywater
Strategic Policy Unit Manager
Strategy & Planning Group
Christchurch City Council

Attachment 1:

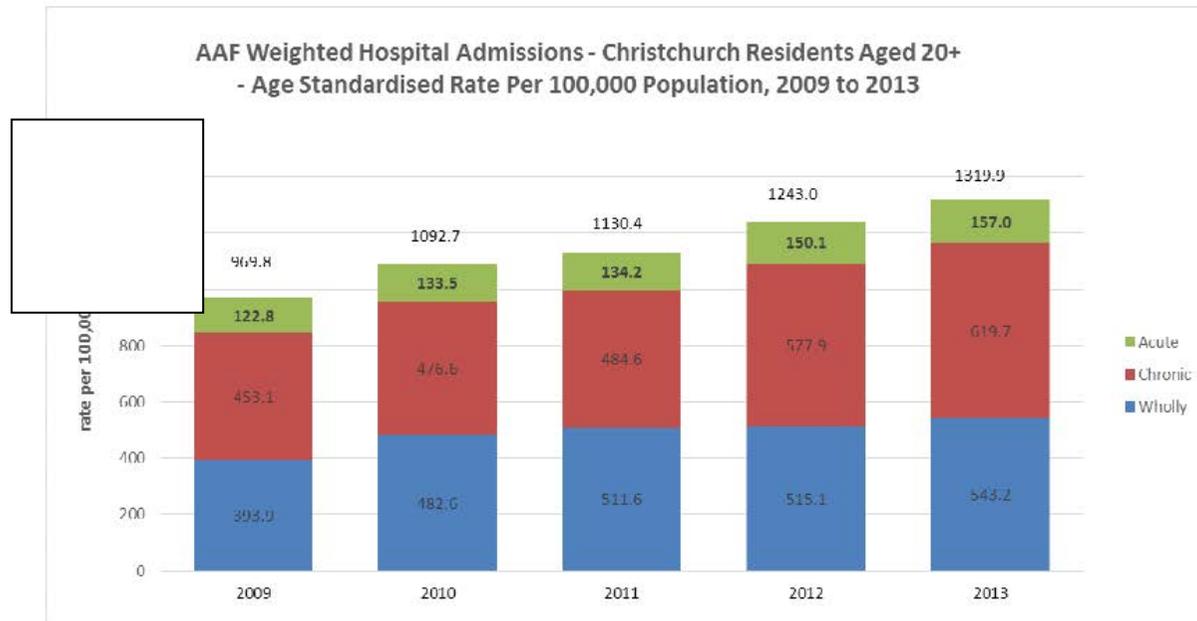
Data supplied by the Canterbury District Health Board as part of their submission to the Christchurch City Council's draft Local Alcohol Policy, June 2013.

Table/Graph of monthly recorded and estimated actual alcohol-related events in Christchurch ED (August 2012



Arrival Month	Detected Alcohol Related Event Count	Estimate of alcohol associated events in ED*
Aug-12	266	459
Sep-12	246	424
Oct-12	258	445
Nov-12	270	466
Dec-12	305	526
Jan-13	238	410
Feb-13	257	443
Mar-13	334	576
Apr-13	251	433
May-13	235	405
Jun-13	277	478
Jul-13	276	476
Aug-13	256	441
Sep-13	259	447
Oct-13	293	505
Nov-13	301	519
Dec-13	289	498
Jan-14	258	445
Total	4869	8395

- Recorded admission (green line) indicates alcohol incidence that staff detected
 - *Recent research estimates actual alcohol incidence (blue line) to be over 70% higher (*where alcohol involved but not detected*) at approx. 5600 incidents per year
- NB: Alcohol-related admissions often impact disproportionately on ED resources



- This graph highlights the hospital admissions of Christchurch residents directly due to alcohol for the 60+ conditions to which alcohol contributes
- It highlights a 36% increase in alcohol related admissions since 2009
- The approximate cost of these admissions alone is in the region of \$50 million per annum

CLEMENGER GROUP

The Clemenger Group

Submission to the Ministerial Forum on
Alcohol Advertising and Sponsorship

April 2014

Introduction

The Clemenger Group is pleased to submit this document to assist the Ministerial Forum on Advertising and Sponsorship as it assesses whether the need to apply further restrictions to alcohol-related advertising and sponsorship. As the largest company of its type in Australasia we have a direct interest in the outcome of the Forum's deliberations.

At the outset I would state that as a corporate entity acting for both government and private sector interests with direct involvement in the alcohol sector, we are fully supportive of government's focus on the development of measures to reduce the harm caused by excessive or inappropriate consumption of alcohol. As such we are fully conversant with and adhere to the codes of practice as developed and promulgated by both the Advertising Standards Authority and the Broadcasting Standards Authority.

It is our belief that the most effective means of mitigating alcohol's impact is through a focused programme of interventions. These interventions must combine well-enforced regulation with targeted behaviour-changing programmes that seek to understand then mitigate the drivers that underpin problem drinking behaviour.

In our experience as a multi-national communications company, it is only when these elements are properly implemented that you see lasting and positive changes in consumer attitudes and culture.

With this context in mind we welcome the focus the Ministerial Forum on Advertising and Sponsorship is bringing to issues relating to harmful drinking practices and look forward to its recommendations.

Please do not hesitate to contact me to discuss anything in this document in more detail.



Jim Moser
Chief Executive NZ
Clemenger Group
100 College Hill
Ponsonby
Auckland
Phone. (09) 361 7551
Email. jim.moser@clemenger.co.nz

About the Clemenger Group

1. Clemenger Group Limited is the holding company of a group of companies involved in advertising and marketing communication services throughout Australia and New Zealand. The company is owned by its management and staff (26%) as well as BBDO Worldwide (74%), a member of the Omnicom Group¹. It is Australia and New Zealand's largest marketing and communications company.
2. Clemenger Group Limited operates across the marketing services spectrum with specialist companies offering clients best-of-category expertise in a range of disciplines. The Company's purpose is to provide the most compelling commercial content, no matter what the distribution channel.
3. The Clemenger Group has been present in New Zealand since 1972 when it purchased a 25% stake in advertising agency Colenso. Since then Clemenger has expanded so there are now 14 companies in the group in New Zealand, employing over 400 staff in Wellington and Auckland and representing close to 40% of the New Zealand media market.
4. Companies in the Clemenger Group NZ are:

Advertising Agencies

Colenso BBDO

.99

Clemenger BBDO Wellington

Raydar

/Touchcast

Direct/CRM/Data Agencies

Proximity Auckland

Proximity Wellington

justONE

Public Relations

Porter Novelli

Masthead Advertising/Content Production

BrandWorld

Media

OMD

Spark PHD

Total

Dynamo

5. To give the Forum an indication of our reach across the alcohol sector below is a short breakdown of some of the work we undertake and the clients we service.

¹ See <http://omnicomgroup.com/home> for more details.

Figure 1 – Synopsis of the Clemenger Group NZ’s alcohol-related activity in New Zealand

Agency	Clients	Work
Raydar (Advertising Agency)	Lion, The Drinks factory: Cider, Brambles, Smirnoff RTD mixes and spirits, Saints Wine	Mostly point-of-sale and in-store activation
BrandWorld (Masthead Advertising and Content Producer)	Lion: Full portfolio of spirits brands, full portfolio of beer brands	TV and on-line marketing activities Mastheads – "The Mix" and "Made to Match" exclusively on TVNZ
/Touchcast (Digital Experience/Advertising Agency)	Constellation Wines: Selaks, Kim Crawford, VNO and Peoples wines	On-line marketing activities/display advertising
Colenso BBDO (Advertising Agency)	DB Breweries: DB Export (including Export varieties), Monteiths (beer and cider)	General advertising including all channels (traditional, digital, in-store, POS, trade marketing, etc.)
Porter Novelli (Public Relations Agency)	DB Breweries: Tui, Stolen Rum	Marketing communications and public relations activity

6. Additionally we have also been working with the New Zealand Transport Agency for over 14 years on its road safety campaigns, have worked for ALAC and currently work with its successor, the Health Promotion Agency.

Summary Comments

7. The Clemenger Group NZ is fully supportive of government measures to reduce the impact of harmful or inappropriate drinking but believes such measures must be well-evidenced and used to develop targeted, co-ordinated interventions to properly address the underlying drivers of poor drinking behaviours.
8. We do not believe advertising and sponsorship, as carried out responsibly by our clients, has an undue negative impact on consumer drinking behaviour and, as a result, do not believe additional restrictions are necessary at this time. In fact, in spite of advertising and sponsorship activity alcohol consumption is falling across almost every measured cohort – and particularly amongst youth.
9. We feel that the Forum should take account of the mature market in New Zealand for the sale of alcohol and, as such, the role of advertising and sponsorship within such a market.
10. We believe that the voluntary standards developed and administered by the likes of the Advertising Standards Authority and the Broadcasting Standards Authority are appropriate, well-represented and robust enough to cope with changes in channel-to-market. We would advise constant attention be given to ensuring that this remains the case.
11. The new Sale and Supply of Alcohol Act 2012 has not had time to fully integrate into the advertising, sales and marketing mix and should be allowed to demonstrate its impact before any additional restrictions are considered.
12. There is little evidence to suggest that the banning of advertising works to impact total consumption in New Zealand.

Advertising and Sponsorship of Alcohol

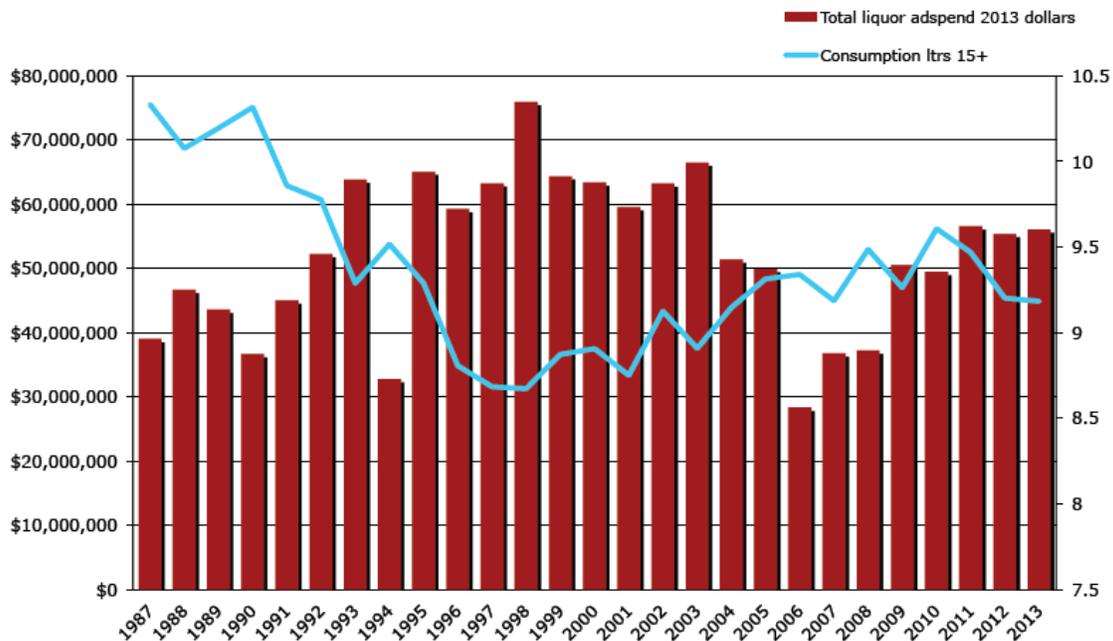
13. The Clemenger Group NZ believes there is no need for further restrictions to be placed on alcohol advertising and sponsorship. This is because of a number of factors including:
- The lack of correlation between advertising spend and consumption trends;
 - Consumer consumption trends – particularly among youth;
 - The true role of advertising in a mature market;
 - The unproven impact of the new Sale and Supply of Alcohol Act 2012; and
 - A lack of proof that restrictions on advertising works to change consumption behaviours.

The Relationship between Alcohol Advertising and Consumption

14. Evidence gathered by the Foundation for Advertising Research suggests there is little if any correlation between alcohol consumption and advertising spend (see Figure 1 below).

Figure 1

New Zealand Annual Liquor Advertising Spend in 2013 dollars with Per Capita Consumption 15+



Source: Foundation for Advertising Research

15. Figure 1 demonstrates the seemingly unrelated perhaps counterintuitive way advertising spend and consumption have acted over the last 26 years.

New Zealand-Specific Evidence Relating to Youth

16. In our experience working with alcohol companies and government agencies there is an ever-present and appropriate focus on reducing the impact of alcohol on young people.
17. Our private sector clients are more than aware of the need to develop appropriate creative and to use channels and placement times (for electronic media) that reduce exposure to and impact on minors. Government agencies such as the New Zealand Transport Agency are, of course, at the forefront of campaigns to reduce poor driver choice and behaviour on the road which is directly linked to driving while intoxicated.
18. Yet we are also aware of media reports and commentators continually referring to youth-related drinking issues such as binge drinking, excessive consumption and so on. We are sure the Forum will be well aware of this and have many submitters raising such issues as matters of concern.
19. We have already demonstrated that there seems little correlation between consumption and advertising trends (see Figure 1) so it follows that if advertising and sponsorship were negatively impacting youth drinking behaviour then this would show as a specific trend within this cohort.
20. However a review of available material demonstrates different trends across a key set of consumption patterns including:
 - a. The age of drinking initiation
 - b. The proportion of young people drinking
 - c. Binge drinking by youth
 - d. Hazardous drinking
 - e. Frequency of drinking
21. We summarise the relevant findings below.

The age of initiation of drinking by youth 12-17 is increasing.

Year	Age of Initiation
2003	13.8 years of age
2005/6	13.9 years of age
2006/7	13.8 years of age
2007/8	14.1 years of age
2008/9	14.3 years of age
2009/10	14.6 years of age

Source: ALAC

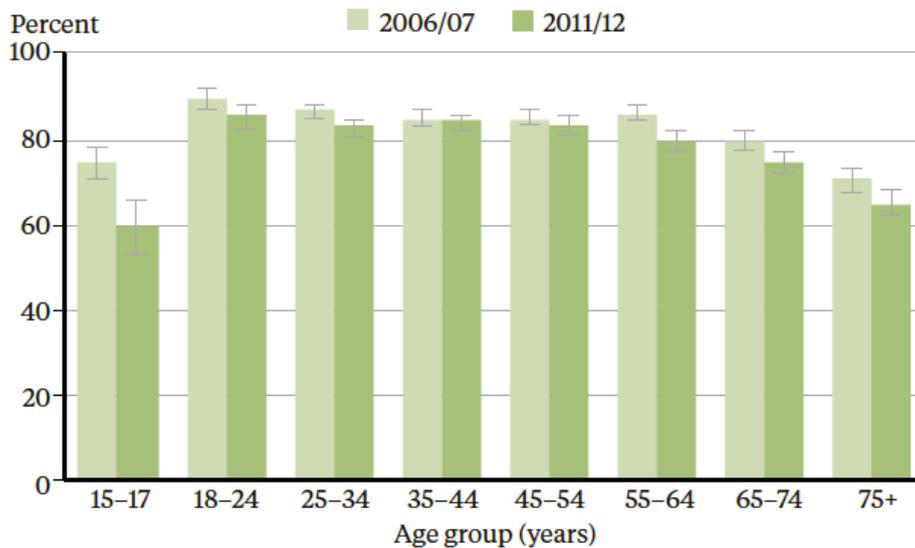
More young people are choosing not to drink

	2005/6	2006/7	2007/8	2008/9	2009/10
Non-Drinkers (%)	47	48	48	50	68
Drinkers (%)	53	52	52	50	32

Source: ALAC (Youth defined as 12 – 17 years)

22. The above table is supported by the more recent Ministry of Health research *Hazardous Drinking in 2011/12 – Findings from the New Zealand Health Survey* which found that youth drinkers aged 15-17 fell from 75% in 2006/07 to 59% in 2011/12 (see Figure 2 below).

Figure 2 – Has consumed alcohol in the past 12 months, by age group, 2006/07 and 2011/12²



Source: Ministry of Health

Binge Drinking by Youth is Falling³

Year	Percentage Binge Drinking
2005/6	19.6
2006/7	21.3
2007/8	22.9
2008/9	19.5
2009/10	15.0

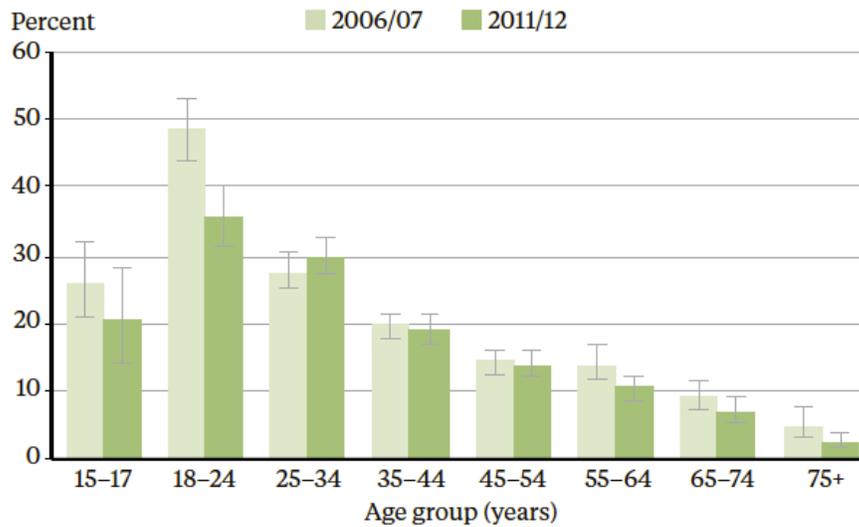
Source: ALAC

23. Again the information above is supported by the Ministry of Health's *Hazardous Drinking in 2011/12 – Findings from the New Zealand Health Survey* (see Figure 3 below)

² Note that all cohorts showed some reduction in consumption

³ ALAC defines binge drinking as having consumed five or more drinks on the last occasion

Figure 3 – Hazardous drinking, among past year drinkers, by age group, 2006/07 and 2011/12⁴



Source: Ministry of Health

Frequency of Drinking by Youth is Falling

Year	Percentage of all youth (12-17) that drink more than once a week
2005	10
2005/6	6
2006/7	9
2007/8	9
2008/9	7
2009/10	3.5

Source: ALAC

24. In summary, the amount of alcohol being consumed by youth; the frequency of consumption; the amount of hazardous consumption and the onset of consumption are moving in directions that refute the contention that advertising and sponsorship is negatively impacting these trends. And interestingly these consumption patterns are also demonstrated internationally.

25. In April 2014 a study published by Dr Michael Livingston⁵ from the National Drug and Alcohol Research Centre (NDARC) at the University of New South Wales found the percentage of Australian adolescents who did not drink⁶ increased from 33% in 2001 to just over 50% in 2010.

⁴ Note that, except for the 25-34 cohort all other cohorts showed a fall in hazardous consumption for the period analysed.

⁵ Livingston M. Trends in non-drinking amongst Australian adolescents. *Addiction*, 109: doi: 10.1111/add.12524

⁶ Defined as not drinking alcohol over the past 12 months

26. The study also found that in recent years there has been a sharp decline in teenage drinking in many other countries. In the United States, for example, the prevalence of alcohol use among 8th graders (typically aged 13 – 14 years) fell from 54% in 1991 to 24% in 2012. In England the proportion of 10 – 15-year-olds who had consumed alcohol at least once had fallen from 61% in 2003 to 45% in 2010.

Advertising and Sponsorship in a Mature Market

27. The preceding discussion shows that the amount of alcohol being consumed, per capita, in New Zealand is currently falling. This is consistent with other markets around the world which like New Zealand, are described as being 'mature'.
28. Consumers in mature markets behave differently to those in growing or new ones and, as a result, so do companies wishing to sell products or services.
29. In this type of market the aim of advertising, sponsorship and promotional programmes is not to increase total consumption per se but to increase relative market share across brands. More than this, marketing programmes are also sometimes designed to try and shift consumer preference from 'lower' brand points to so-called premium brands which generally accrue a higher margin on sale.
30. Once again this is not about increasing the total consumption within the market – something which is not possible given current trends – but rather to promote brands in such a way that consumers will change their buying preference.
31. For example, in a beer market which is declining by approximately 3% per annum we have grown one of our client's combined market share across three different beer brands by 20%.
32. We believe this is an extremely important distinction Forum members need to be cognisant of since it is often mistakenly stated that advertising and sponsorship programmes for alcohol are specifically designed to increase total consumption. Market share – yes; total consumption – not in a mature (and shrinking) market.
33. The other factor that impacts this is the way consumers react to alcohol as a product per se. For example, the Forum might be aware of the growth in sales of the Cider category. It could be construed that because of this growth the total amount of alcohol being consumed has increased.
34. As we have shown this is simply not the case. This is because most consumers substitute their alcohol purchasing preferences based on a range of different factors⁷. In other words a gain for one alcohol category means a loss to another.
35. In this environment the role of advertising is to support brand appeal, underpinned by specific product campaigns, but in a way that does not simply move consumers from one category to another within a brand portfolio.

⁷ Curia Market Research 2010

The Current Regulatory Environment

36. Forum members will be aware of the recent passage of the Sale and Supply of Alcohol Act 2012. The Clemenger Group wholeheartedly supports the Object of the Act and its focus on minimising the harm caused by excessive or inappropriate consumption of alcohol.
37. However the new Act is a significant piece of legislation that has moved a considerable distance from its predecessor. It contains a large number of new regulations which directly impact on the advertising and promotion of alcohol.
38. These changes have yet to be properly evidenced so in our opinion it would seem premature to make further recommendations of significance before the Act is properly tested.

Advertising Restrictions Don't Work

39. In its July 2009 issues paper on the reform of New Zealand's liquor laws⁸, the Law Commission drew extensively on the 2003 book *Alcohol: No Ordinary Commodity*.⁹ At the time the Law Commission noted that the precise link between alcohol promotion and consumption was complex.
40. Babor and others had noted that the results of studies examining the link between exposure to alcohol promotion messages and individual levels of consumption were mixed.¹⁰ *Alcohol: No Ordinary Commodity* was updated and republished in 2010. Again, the authors observed that studies found that advertising bans had no substantial effect on total consumption.¹¹
41. We would contend that since this time international research findings provide little consistent support for a relationship between aggregate alcohol advertising expenditures or advertising restrictions and aggregate alcohol sales, consumption, or problems.
42. The Foundation for Advertising research has studied 20 instances where advertising and promotion of alcohol was banned or partially banned.¹² They note that although the theoretical analyses that accompanied these bans predicted that consumption would fall the on-the-ground evidence showed that none of the bans lowered consumption (we have included a summary of this research as Appendix 1).

⁸ Law Commission, *Alcohol in our lives – an issues paper on the reform of New Zealand's liquor laws*, pub. July 2009

⁹ Thomas Babor *et al Alcohol: No Ordinary Commodity*, OUP, New York 2003.

¹⁰ Law Commission, *Alcohol in our lives – an issues paper on the reform of New Zealand's liquor laws*, pub. July 2009, p179

¹¹ T. Babor and others *Alcohol: No ordinary Commodity*, OUP, New York, pub. 2010, p194.

¹² FAR Alert 12/14, April 11 2014

Appendix 1

Schedule of Research on Case Studies On the Effectiveness of Ad Bans

ACTUAL AD BANS

1. Examined 14-month ban of all alcohol advertising in all media in British Columbia in 1971 and compared consumption with Ontario, which did not have a ban. The authors found that the ban had no effect and concluded, "...both the yearly and monthly analysis of beer, wine or liquor consumption show no substantial effect of the ban."
Smart, R.G., Cutler, R.E., 1976. The alcohol advertising ban in British Columbia: Problems and effects on beverage consumption. *British Journal of Addiction* 71, 13-21.
2. Examined the impact on consumption of an ad ban of all beer advertising in the print and electronic media imposed in Manitoba in 1974. A comparison from 1970 - 1978 was made with Alberta, which did not have a ban. The study found that the ban had no impact on beer consumption compared with Alberta and consumption actually increased after the imposition of the ban.
Ogborne, A.C., Smart, R.G., 1980. Will restrictions on alcohol advertising reduce alcohol consumption? *British Journal of Addiction* 75, 293-296.
3. Examined 51 US states and classified them into 3 groups regarding restrictions on the content and placement of alcohol ads in newspapers and magazines. The groups were - least restrictive, moderately restrictive and most restrictive. The study found that "advertising restrictions were unrelated to per capita beer, wine or spirit consumption, to total per capita consumption or to alcoholism rate." The authors concluded, "Such restrictions should be given a low priority among the possible solutions to problems of restraining per capita alcohol consumption."
Ogborne, A.C., Smart, R.G., 1980. Will restrictions on alcohol advertising reduce alcohol consumption? *British Journal of Addiction* 75, 293-296.
4. Examined the effect of ad bans using a cross-section of 35 US states. Concluded "...a prohibition on advertising for alcoholic beverages leads *not* to a general reduction in alcoholic beverage consumption but rather a *shift* from beer consumption to spirits consumption".
Schweitzer, S.O., Intriligator, M.D., Salehi, H., 1983. Alcoholism: An econometric model of its causes, its effect and its control, in: Grant, M., Plant, M., Williams, A. (Eds.), *Economics and Alcohol: Consumption and Controls*. Harwood, New York, pp. 107-127.
5. Examined per capita consumption of spirits over a 25-year period using a cross-section of 48 US states and the various ad bans for billboards, exterior signs and price advertising. Concluded that ad bans "...have been almost totally ineffective as a deterrent on alcohol consumption ...[and] the most anomalous result comes with restrictions on billboard advertising, where results showed a consistent and fairly large effect in the wrong direction".
Hoadley, J.F., Fuchs, B.C., Holder, H.D., 1984. The effect of alcohol beverage restrictions on consumption: A 25-year longitudinal analysis. *American Journal of Drug and Alcohol Abuse* 10, 375-401.

6. Examined a cross-section of 50 US states from 1974-78 and the effect of ad bans for billboards, print price and billboard price on spirits and beer consumption. Found that allowing billboard advertising decreased spirits consumption, allowing price advertising increased spirits consumption, no effect on beer consumption but allowing price ads increased consumption slightly. The authors concluded that "...control laws affecting price have the greatest impact on consumption...[but] the influence of control measures is small relative to that of socio-demographic and economic variables that affect consumers' overall attitudes toward drinking"
Ornstein, S.O., Hanssens, D.M., 1985. Alcohol control laws and the consumption of distilled spirits and beer. *Journal of Consumer Research* 12, 200-213.
7. Examined the relationships between alcohol consumption, ad bans and road fatalities in 48 US states for 1976-1979. Found that ad bans for billboards and periodicals had insignificant effects on demand and that ad price bans had a negative effect on consumption. Concluded that "...the direct effects of regulation on alcohol sales are relatively small. Regulatory restrictions have their largest effect via their impact on the number of outlets"
Wilkinson, J.T., 1985. Alcohol and Accidents: An Economic Approach to Drunken Driving. *Unpublished Ph.D. dissertation*, Department of Economics, Vanderbilt University. Wilkinson, J.T., 1987. The effects of regulation on the demand for alcohol. *Unpublished paper*, Department of Economics, University of Missouri.
8. Examined the effect of ad bans on per capita consumption of beer, wine and spirits in a cross-section of 48 US states. Found that ad bans were not a significant determinate of consumption but that prices, income, tourism, number of outlets and legal purchase age were significant variables. Concluded, "...there is no effect on consumption of advertising bans."
Nelson, J.P., 1990a. State monopolies and alcoholic beverage consumption. *Journal of Regulatory Economics* 2, 83-98. Nelson, J.P., 1990b. Effect of regulation on alcoholic beverage consumption: Regression diagnostics and influential data, in: Watson, R.R. (Ed.), *Drug and Alcohol Abuse Reviews: Prevention*. Humana Press, Clifton, NJ, pp. 223-243.
9. Examined the effect of the termination in 1983 of a 58-year-old ad ban of all alcohol in all media in Saskatchewan, Canada. The ban continued for spirits ads on radio and television. The study found that the termination resulted in increased beer sales, reduced spirits sales and no effect on wine. There was no effect on total alcohol consumption. The authors concluded that "This research found evidence of an impact of the change in legislation regarding alcohol advertising in terms of a substitution effect of beer sales for spirits sales. Advertising does not, however, affect total consumption" Makowsky, C.R., Whitehead, P.C., 1991. Advertising and alcohol sales: A legal impact study. *Journal of Studies on Alcohol* 52, 555-567.
10. Examined ad bans of broadcast alcohol advertising in OECD countries. The study found that a ban on spirits advertising resulted in higher beer consumption and a ban of all advertising resulted in higher spirits consumption. Wine consumption was unaffected by a total ban and negatively affected by a spirits ban. Bans tend to lead to beverage substitution. Concluded that the relationships between advertising bans and consumption of specific types of alcoholic beverages are largely inconsistent with the notion that bans reduce consumption".
Young, D.J., 1993. Alcohol advertising bans and alcohol abuse: Comment. *Journal of Health Economics* 12, 213-228.

11. Examined alcohol ad expenditure and consumption in France, Germany, Netherlands, Sweden and UK from 1970 to 1990. Sweden banned all alcohol advertising in 1979. Found that consumption reduced in all countries during the period and the four countries without bans were not appreciably different from Sweden. The authors concluded "...social forces other than prices and income were bringing about a strong reduction in demand for alcoholic beverages, and advertising did nothing to ward off this trend towards reduced consumption" Calfee, J.E., Scheraga, C., 1994. The influence of advertising on alcohol consumption: A literature review and an econometric analysis of four European nations. *International Journal of Advertising* 13, 287-310.
12. Examined the effect of price ad bans in 16 US states between 1982-1987 on the malt beverages market. The study found "Our empirical results suggest that local price advertising plays an important role in the competitive process. Where all sellers are prohibited from conveying price information to consumers in an efficient fashion, larger firms tend to gain market share at the expense of smaller competitors, resulting in an increase in market concentration." Sass, T.R., Saurman, D.S., 1995. Advertising restrictions and concentration: the case of malt beverages. *The Review of Economics and Statistics*, 77, 1, 66-81
13. This US study examined relationship between consumption and domestic violence toward children with different variables including billboard bans, window display bans and price ad bans. Found that there were no measurable effects of advertising on violence, including billboard bans and window display bans. It concludes, "Finally, laws restricting advertising of beer are shown to be ineffective in reducing violence." Markowitz, S., Grossman, M., 1998. Alcohol regulation and domestic violence towards children. *Contemporary Economic Policy* 16, 309-320.
14. Examined the effect of the removal of an ad ban on alcohol price advertising on prices in Rhode Island when found illegal by the Courts. Prices in the adjoining State of Massachusetts were used as controls. The study found that while the prices of advertised goods were reduced other prices did not change. The article concluded, "we find that Rhode Island prices decline insignificantly, relative to Massachusetts prices, after Rhode Island's ban on liquor price advertising is lifted." Milyo, J., Waldfogel, J., 1999. The Effect of Price Advertising on Prices: Evidence in the Wake of 44 Liquormart. *The American Economic Review*; 89,5.
15. Examined broadcast ad bans in 17 OECD countries. Found that bans on the advertising of spirits lead to increased alcohol consumption and higher motor vehicle fatalities. Wider bans of additional media and beverages were not consistently related to consumption or abuse. Price was found to be an important determinant of consumption. Concluded that broadcast bans can lead to price reductions due to reduced product differentiation and lower costs, and might therefore increase price competition among producers of more homogeneous goods. Hence, banning advertising could have the perverse effect of increasing alcohol consumption. Nelson, J.P., Young, D.J., 2001. Do advertising bans work? An international comparison. *International Journal of Advertising* 20, 270-294.

16. Examined the literature concerning alcohol ad bans. Found that there was no statistically or material effect of alcohol ad bans, including selective bans of outdoor media and comprehensive bans of broadcast media and other print media. Concluded, "At the beverage level, the results are mixed and suggest that substitution among beverages is a possible effect of a ban. However, the null hypothesis that advertising bans reduce alcohol consumption (or abuse) must be rejected. Conceivably, a total ban of all alcohol advertising and promotion might have some effect on behavior, although anecdotal evidence for the Soviet Union and the US Prohibition-era argue against even this extreme result."

Nelson J.P. 2001, Alcohol Advertising and Advertising bans: A Survey of Research Methods, Results, and Policy Implications. Chapter 11, *Advances in Applied Microeconomics*, Volume 10: *Advertising and Differentiated Products* 2001

17. Examined restrictive alcohol control policies, including ad bans, in 45 US states for the period 1982-1997. Found "A restrictive law that applies to only one beverage (or one form of advertising) can result in substitution toward other beverages (or other forms of advertising). Allowing for substitution means that the net effect on total alcohol consumption is uncertain, and must be ascertained empirically. The study found that monopoly control of retail sales of spirits reduces consumption of spirits and increases consumption of wine. The effect on beer is positive, but not statistically significant." Concluded that billboard bans "...increase the consumption of spirits and wine, and reduce the demand for beer. The net effect on total alcohol demand is positive prior to 1989, and zero thereafter." With regard to price ad bans the study concluded "The empirical findings for restrictive alcohol laws indicate that, first, a ban of price advertising reduces consumption of spirits and wine, and increases beer consumption. The net effect of price bans on total alcohol is very small in magnitude."

Nelson J.P., 2003, Advertising bans, Monopoly, and Alcohol Demand: testing for Substitution Effects using State Panel Data. *Review of Industrial Organization*, 22, 1-25

18. A meta-analysis of empirical studies that examine the effect of actual advertising bans. Broadcast ad bans were found to be ineffective - "In summary, the cumulative evidence from cross-national studies indicates that broadcast advertising bans do not reduce consumption. The meta-analysis of cross-national bans of broadcast advertising provides point estimates of about - 1% for either a partial or a total ban. The effects are small in magnitude, and neither cumulative estimate is significantly different from zero." Billboard ad bans were also ineffective and slightly increased consumption. "A state billboard ban increased total alcohol consumption by about 3.8%." However it also "increases spirits consumption by about 12.5%." It comments, "This result is highly significant and generally contrary to expectations."

Nelson, J.P., Young D. J., 2003, Meta-Analysis of Alcohol bans: Cumulative Econometric Estimates of Regulatory Effects. *Unpublished*,
www.montana.edu/econ/djyoung/papers/meta_alcohol5.pdf

19. A literature review of studies that examine actual case studies of alcohol ad bans. Seven econometric studies estimate the relationship between billboard bans and alcohol consumption in the US. "None of the studies obtained a statistically significant reduction in total alcohol consumption due to bans of billboards. In several studies, billboard bans increased spirits consumption significantly." There were four studies on broadcast advertising bans. "The results indicated that bans of broadcast advertising had no effect on alcohol consumption relative to countries that did not ban broadcast advertising."

Nelson, J.P., 2004, Advertising Bans in the United States. EH.Net Encyclopaedia,
<http://eh.net/encyclopedia/article/Nelson.AdBans>

20. Examined ad bans in 17 OECD countries from 1975-2000. The study found that alcohol ad bans do not reduce market demand for alcohol. Over 40-year period have been reasonably stable but there have been dramatic changes in consumption levels and beverage shares. There has been a general decline in consumption over the period but the decline has been greater in countries with fewer restrictions on alcohol advertising, marketing and distribution. Concluded, "Instrumental variable models support the conclusion that advertising bans do not decrease alcohol demand." and "Finally, it should be noted that bans of advertising have existed for many years in some countries, and vary across countries. Many individuals begin drinking alcohol at an early age. If advertising influences this participation decision, it is difficult to see why this behaviour is not reflected in the empirical results for long-standing advertising bans."

Nelson J.P.,2010, Alcohol Advertising Bans, Consumption, and Control Policies in Seventeen OECD Countries. 1975-2000, *Applied Economics*, 42: 7, 803-823



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SUBMISSION TO THE MINISTERIAL FORUM ON ALCOHOL ADVERTISING AND SPONSORSHIP

APRIL 2014

Submission to:

Mr Graham Lowe ONZM, QSM
Chair
Ministerial Forum on Alcohol Advertising and Sponsorship

The contact person for this submission is:

[Faint, illegible text, possibly a signature or name]

Submission to the Ministerial Forum on Alcohol Advertising and Sponsorship

28 April 2014

Mr Graham Lowe ONZM, QSM

Chair

Ministerial Forum on Alcohol Advertising and Sponsorship

alcoholadvertisingforum@moh.govt.nz

Thank you for the opportunity to provide comment on the Alcohol Advertising and Sponsorship review.

As the College of Nurses Aotearoa (NZ), we wish to make a submission to this forum.

The College of Nurses (NZ) Inc. is a professional body of New Zealand registered nurses and nurse practitioners from all regions and specialties both within and outside of the District Health Board (DHB) setting. It provides a voice for the nursing profession and professional commentary on issues that affect nurses, and also the health of the whole community, aiming for excellence in nursing practice and health care delivery which addresses disparities in health.

We have elected not to complete the submission form provided, rather we make the following comments and recommendations for your consideration.

The evidence gathered by 2010 concluded that **exposure of young people to alcohol marketing speeds up the onset of drinking and increases the amount consumed by those already drinking.**

In 2010 following its review of our alcohol laws the New Zealand Law Commission concluded *that having considered the recent research linking the advertising of alcohol and increased alcohol consumption by young people, and having heard the views of submitters and consultees greater controls are needed on advertising, sponsorship and other promotion of alcohol. These controls are in terms of the content of advertising, the levels of exposure to advertising and sponsorship messages, and inappropriate sales promotions. There is a strong argument that a self-regulatory body for alcohol advertising is inappropriate.*

We note that 2,281 out of 2,939 submissions to the Law Commission commented on the range of policy options presented on alcohol advertising and marketing. Of the 2,281 submissions **86% supported banning or restricting all advertising of all alcohol in all media.**

We believe that more recent evidence that will be presented to you during the course of your review will only add weight to the Law Commission's findings and recommendations, and the urgency for action.

We note that **Stage 1:** of the Law Commission's recommendations has been implemented by the inclusion on a new clause making it an offence to promote the excessive consumption of alcohol in the *Sale and Supply of Alcohol Act 2012*. However, we are unaware of any test cases based on this new law.

We recommend that the Review Forum consider mechanisms to monitor the impact and effect of this legislation.

It has now been four years since the Law Commission's recommendations were made. In this time New Zealanders young and old have been continuously exposed to the harmful effects of alcohol advertising and sponsorship. This is no time for further review; rather it is time to act.

We recommend that the Review Forum support the immediate implementation of Stage 2 and 3 of the Law Commission recommendations on alcohol advertising and sponsorship as set out in their report *Alcohol in Our Lives – Curbing the Harm 2010*.¹ These being:

Stage 2: An interdepartmental committee to consider adopting legislated measures designed to reduce exposure, particularly of young people.

Stage 3: This stage would implement restrictions including:

- Messages and images may refer only to the qualities of products, such as origin, composition, means of production and patterns of consumption;
- The banning of images of drinkers or the depiction of a drinking atmosphere;
- Only allowing advertising in press with a majority readership over 20 years of age;
- No alcohol-related sponsorship of any cultural or sports events or activities.

We understand that this means a ban on all forms of alcohol advertising and sponsorship in all media, other than objective product information.

We recommend that any permitted alcohol advertising is accompanied by health advisory messages developed by public health experts.

At the recent Global Alcohol Policy Conference in Seoul Korea, internationally renowned alcohol policy researcher Professor Thomas Babor told delegates that self-regulation of advertising by those with a vested interest has shown to be *“spectacularly ineffective”*.

We wholeheartedly agree. It serves no purpose but to maintain the unacceptable status quo and delay effective measures to curb the harm alcohol-advertising is shown to contribute to.

We recommend that the Review Forum ensure that self-regulation of alcohol advertising and sponsorship in New Zealand is ended immediately.

We consider that there are practical ways in which much of the existing alcohol advertising and sponsorship activities could be limited.

These include:

- The establishment of an independent body to take over the management and regulation of alcohol advertising and sponsorship, and ending self-regulation.
- Setting out what is alcohol advertising is allowed (i.e. objective product information only), and ban all other advertising. This would apply to ALL broadcast, bill-board and outdoor advertising, all print media, and all website and social media content that is generated by New Zealand based companies/individuals.

¹ Law Commission (2010). *Alcohol in our lives: Curbing the harm. A report on the review of the regulatory framework for the sale and supply of liquor*. Report 114. Wellington: New Zealand.

- New Zealand companies/individuals are prohibited for promoting or contributing to any overseas based promotions in New Zealand.
- A fund is established from alcohol excise tax to support alternative funding options for alcohol sponsorship, and this is phased out over the next 1-2 years.

Conclusion

We believe that this matter has been discussed and reviewed enough. The evidence available is strong enough to warrant immediate action, and there is strong public support for reducing the exposure of all New Zealanders to alcohol advertising in all of its forms.

We urge the forum to recommend an action plan which will implement the Law Commission's recommendations as put forward in their report in 2010. In particular our children and young people need to be protected from the negative impacts that alcohol advertising and sponsorship have on their lives. Your role must be one of creating an environment that promotes healthy choices, and not one where choices are influenced by the needs of the alcohol industry.

Signed

Written on behalf of the College of Nurses Aotearoa (NZ) Inc. by

Name:

Address:

Email:

Contact phone number:

Note: This submission may be requested under the Official Information Act 1982. If this happens, it will normally be released to the person who requested it. However, your personal details will be removed from the submission if you check/tick the following boxes:

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