



Opening Statement

NSW Inquiry into the Alcoholic Beverages Advertising Prohibition Bill

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We thank the Committee for the opportunity to appear before you today.

Beer in NSW/ACT generates over \$3.8 billion in Gross State Product a year and underpins more than 27,000 jobs across the state. Over 900 direct jobs in breweries.

Nationally, its \$15.3 billion a year in economic activity – almost 1% of GDP – while supporting over 120,000 jobs (some 89,000 full-time equivalent positions).

Beer makes a significant contribution across the economy, from manufacturing, hospitality and transport through to our farmers, who produce 1 million tons of barley every year for domestic beer production.

In the area of most concern to this Inquiry, that of underage drinking, the experience in Australia is one of constant improvement, with the Australian Institute of Health and Welfare reporting that younger people are drinking less alcohol than ever before.

The AIHW notes...

- A dramatic improvement with 82% of teens abstaining – up from 54.3% in 2004.

While we naturally focus on the 18% who have tried alcohol, there can be no doubt the improvement is stark.

- Also, that teens drinking at lifetime risky patterns has plummeted from 6.4% in 2004 to 1.3%.

The Australian Bureau of Statistics has charted a dramatic decline in consumption per capita – which has fallen, decade on decade, for more than 40 years.

Since peak alcohol consumption of 12.9 litres per head of population in the mid-1970s, consumption has fallen by 25%.

For beer's part, over the same period, consumption has fallen from 9.5 litres per capita to just 3.9 litres today.

Today's drinkers are more discerning, better informed and better equipped socially regarding responsible alcohol consumption than ever before.

The message of moderation has overwhelmingly sunk in. And beer is the drink of moderation – typically even full-strength beer at between 4.2% to 5% alcohol is many times lower in concentration than other alcohol products.

Over the last 10 years our members have invested significantly in low and mid-strength options – today these products account for one quarter of all beer sales in Australia.

These substantial gains have occurred over a period where alcohol advertising has increased in volume, and expanded its reach through digital and online media.

If there were a correlation between advertising and uptake, the findings from Australia's most authoritative national alcohol surveys should be tracking in a very different direction.

Among the submissions the Inquiry has received, it is clear that no research has been produced that establishes a causal link between alcohol advertising and alcohol uptake.

In fact, the significant body of evidence, demonstrates the polar opposite.

The experience from 17 OECD countries, most including long-standing bans on alcohol advertising, reveals that the bans did not result in either...

- a reduction in the number of new drinkers;
- a reduction in alcohol consumption overall; or
- a reduction in the rates of alcohol misuse.

Australian research demonstrates that alcohol advertising is not a driver for uptake or drinking behaviour. Rather, that the predictors of frequent alcohol consumption among adolescents denotes drinking behaviours and attitudes of parents, friends and/or siblings.

Therefore, banning alcohol advertising is not effective in addressing the issues raised by the Inquiry but, worse, that they send the wrong messages, namely:

- That Government considers that alcohol is fundamentally bad and does not recognise significant improvements in Australian drinking trends;
- It would also be wrong for the Government not to recognise the positive contribution that alcohol and hospitality make in creating jobs and a vibrant State; and
- By misdiagnosing the issues, the Bill risks perpetuating societal problems by masking the real drivers of harmful drinking and anti-social behaviour.

On sports sponsorship, the claim is that alcohol must be banned because it targets youth and, therefore, correlates with underage drinking.

Again, the facts belie such claims.

If this were true, in an age where sports sponsorship is the lifeblood of many major codes, regional competitions and local club survival, the trends in underage drinking would be the exact opposite of what they are today.

Across live free-to-air sport in 2017, adults accounted for a minimum 87% of audiences. This reality dispels the myth that sports sponsorship or advertising during sporting events targets youth.

The Bill provides for the prohibition of alcohol advertising in NSW and the prohibition of alcohol across entire NSW suburbs based on just 10% of the local population seeking an effective Dry Zone.

We respectfully submit that either of these extreme measures would irreparably damage the reputation of NSW, impinge on the liberty of adults who drink responsibly and constitute an unjustified over-reaction at a time when Australians have demonstrably moderated their drinking behaviour.

In conclusion, alcohol advertising and/or sports sponsorship do not target, nor do they influence, young people in their attitudes to drinking and drinking behaviour.

We thank you for your time and we are happy to take any questions.

[ENDS]