



7<sup>th</sup> November 2008

National Alcohol Action Plan Consultation Feedback  
Ministry of Health  
PO Box 5013  
Lambton Quay  
Wellington 6145

Attention: National Drug Policy Team

By email: [NDP@moh.govt.nz](mailto:NDP@moh.govt.nz)

Dear Mr Laurenson

**Distilled Spirits Association of NZ submission on the  
National Alcohol Action Plan Consultation Document**

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I am writing on behalf of the Distilled Spirits Association of New Zealand Inc in response to the invitation<sup>1</sup> for interested parties to make submissions on the **National Alcohol Action Plan (NAAP) Consultation Document**.

The Association is the national trade organisation representing New Zealand's leading brand owners, producers and marketers of premium spirits (e.g. brandy, whisky, rum, gin, vodka) and spirit drinks.

The Association's members include: Anchor Ethanol Ltd, Bacardi Martini Asia Pacific Ltd, Brown Forman Beverages Worldwide, Diageo (New Zealand) Ltd, Federal\*Geo, Lion Nathan Wines and Spirits Ltd, Maxxium NZ Ltd, Moët Hennessy NZ Ltd, Pernod Ricard New Zealand Ltd, The Rum Company (New Zealand) Ltd and Vintage Wines and Spirits Ltd.

This submission follows the questionnaire format contained in the "Submission Form" document. Responses have been provided only where they are relevant to the Association.

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<sup>1</sup> Letter dated 13 August 2008

## **General questions**

### **1. What is your interest in alcohol policy in New Zealand?**

The Association represents major brand owners, importers and producers who have a major stake in the New Zealand drinks industry. All members support measures to curtail excessive and inappropriate drinking and are committed to encouraging the responsible consumption of alcohol. Further, Association members are actively pursuing efforts to ensure this happens through initiatives such as consumer awareness campaigns and changes to promotions and products. As the draft NAAP proposes a number of actions that would directly affect Association members, we wish to be included in its development. We would like to contribute thoughtfully to discussions on reducing problematic behaviour that could be caused by the irresponsible use of alcohol beverages in conjunction with others.

### **2. What do you consider are the issues a National Alcohol Action Plan should address?**

We are pleased to see that the draft NAAP addresses some of the elements of cultural change required as well broadly covering most of the relevant issues.

There are, however, some issues that, in our view, require adjustment.

The issues are:

- i. The consideration of evidential, international best-practice, coupled with the expertise harnessed from a working partnership with industry, to help inform relevant goals of the NAAP
- ii. The actions proposed by the NAAP need to be targeted to produce specific results, prioritised and performance criteria set to measure effectiveness
- iii. Efficient and effective enforcement of existing legislation in preference to the introduction of additional legislation
- iv. Give greater recognition to personal accountability and personal responsibility
- v. Whether it is appropriate to develop, in isolation, the NAAP before three other major reviews affecting the sale of liquor are complete. These are:
  - The Sale and Supply of Liquor and Liquor Enforcement Bill
  - The landmark review of liquor legislation by the Law Commission
  - The major review of liquor advertising to be carried out by the Advertising Standards Authority.

All these points will be discussed in greater detail in response to individual questions. In terms of process, the Association believes the development of the NAAP requires broad input from all industry stakeholders.

The Association was disappointed that no advance notice was given to stakeholders of the release of the draft NAAP. Instead industry stakeholders were first informed of its release via press reports. We were further surprised to learn that several peak body trade organisations and leading official agencies were not directly consulted or invited to the Alcohol Advisory Council organised Industry Advisory Group “engagement

meeting” held in February 2008. Partnership between industry and Government is fundamental to tackling alcohol misuse.

It was our expectation that all major stakeholders’ perspectives would have been sought, especially in the spirit of true industry and Government partnership. We trust that all leading trade bodies and agencies will in the future be directly notified of upcoming consultations and reports and that opportunity for consultation with stakeholders will commence only after all significant parties have been properly identified and invited to participate.

On another process-related matter, the Association considers that all elements of the NAAP need to be developed and informed from best practice and or linked directly to a scientific and evidential base.

### **3. Would you use this National Alcohol Action Plan?**

The draft NAAP is a wide-ranging document that recommends over 70 actions or strategies to reduce alcohol related harm. Clearly, there is no one single solution. The Association regards the draft NAAP as a comprehensive stock-take of agency plans. Its benefit is that it acknowledges the breadth and depth of the multifaceted and complex nature of alcohol abuse.

At a broad-based level the NAAP can usefully inform new and future policy directions.

Notwithstanding the above, the Association considers that the plan will be a significant challenge to implement because of its complexity and size. Moreover, it will only impact on alcohol related harm when irresponsible individuals, recidivists and those who disrespect the law, change their underlying poor cultural attitudes towards alcohol in general and accept responsibility for their own actions. There is a need to drive this cultural change.

### **4. Do you think the proposed vision of the National Alcohol Action Plan (page 3) is appropriate?**

The vision should cite and focus on ‘harmful alcohol consumption’. The Association considers consumption per se is not the problem. The vast majority of New Zealanders consume alcohol beverages responsibly most of the time without causing harm or problems to themselves or others.

### **5. Do you agree with the long-term aim of the National Alcohol Action Plan as outlined on page 3?**

The stated aim to reduce alcohol related harms is commendable. However, the aim could be better expressed as ‘to encourage responsible drinking and make excessive and inappropriate drinking socially unacceptable’.

### **6. Do you agree with the proposed theme ‘change social norms, cultures, and environments around alcohol’ (as described on page 2)?**

The Association supports the theme.

Moreover, we note that the Government's lead agency on alcohol matters, the Alcohol Advisory Council (ALAC), has embarked on a major social marketing campaign that focuses on 'culture change'. It operates under the slogan: "It is not the drinking. It is how we're drinking". The campaign, and slogan used in frequent remarks by ministers, reinforces for New Zealanders the need to change their attitudes and drinking behaviour. We congratulate the government on this educational approach and applaud its vision.

Further, we also note that the Sale of Liquor Act's primary objective is 'to establish a reasonable system of control over the sale and supply of liquor to the public with the aim of contributing to the reduction of liquor abuse, so far as that can be achieved by legislative means'.

This reinforces the view that the drinking culture in New Zealand needs to change and that legislation is only one element in a package of measures to bring about that change.

**9. Do you agree with the proposed action framework for the National Alcohol Action Plan as set out on page 3?**

The proposed framework for action is fitting. We consider it takes the right goals into account. We note that the placement of "individuals, family and whanau" as the leading goal is appropriate. Further, we consider that the lower weighting on "national frameworks" (including legislative and regulatory environments) is properly positioned as the fourth ranked goal.

On Goal 4, National Frameworks, we would support and endorse it as it recognises "harm caused by alcohol misuse".

**10. Do you agree with the five goals and sub-goals to achieve the overarching vision and aim of the National Alcohol Action Plan (as described on pages 4, 8, 11, 14, & 16)?**

We do not disagree with Goal 1 (Individuals, family and whanau); however we note that it discusses "driving change at the individual and family levels". Disappointingly, the plan does not propose any actions that promote personal responsibility by individual drinkers or address how peer pressure drives individual behaviour and choices.

**11. Should any other goals or sub-goals be included?**

The Association considers that there should be recognition of the value of inclusive and consultative approaches (with the private sector and other stakeholders) in the design and implementation of multi-faceted interventions and policies.

**12. Would you add further actions under Goal 1, 'Empower and support individuals and families and whānau to manage alcohol in their lives and receive help when they need it' (pages 4-8)?**

The Association has no issue with the initiatives to increase awareness as long as interventions are targeted at specific audiences.

The narrative passage following 1.2 currently reads:

*Alcohol consumption causes a wide range of self-reported problems and harms for drinkers.*

This ‘one-size-fits-all’ attitude which presumes that all drinkers have or cause problems is not effective. Not all alcohol consumption causes harm. For the sake of balance and recognising marketplace realities the Association recommends that the paragraph be amended to read:

*“Excessive and irresponsible alcohol consumption by a minority of individuals may cause a range of self-reported problems and harms for drinkers”.*

The Association observes that some of the actions specified under 1.1 are subject to major reviews and their outcomes could in turn negate or supersede the action.

Further there is some potential inconsistency with declared Government positions. For example, action 1.1.3 recommends “Support the proposal to Food Standards Australia New Zealand to introduce mandatory pregnancy health advisory labels on alcoholic beverage containers”. There is a possibility that with emerging evidence FSANZ may recommend that the application has no scientific or empirical basis to proceed. This would supersede the action completely.

Action 1.1.7 recommends “Review the low-risk drinking guidelines”. This seems strange given the recent Ministerial comment<sup>2</sup> that the Government was not looking at changing its guidelines (that men should not drink more than six standard drinks or women more than four in a single session). Should this position change we would expect there would be full and comprehensive consultation. In the interim, the Association recommends that there be an increased alignment between agencies and the Government on this issue.

**13. Would you add any further actions under Goal 2, ‘Enhance public wellbeing and safety in environments affected by alcohol or where alcohol is used’ (pages 8-11)?**

The Association strongly supports the actions recommended under Goal 2, especially actions 2.2.4 (enforcement of drink driving laws), 2.2.7 (revising penalty options for recidivist drunk drivers) and 2.2.8 (enforcement of the Sale of Liquor Act).

Further, the Association would suggest that strengthening enforcement should be accorded a high priority. If current laws are not vigorously enforced and on a consistent basis, they can fall into disrepute and send the unintended message that the Government and its agencies are not serious and committed to the legislation.

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<sup>2</sup> “Oz limits on binge drinking not for NZ” 17/6/08 NZ Herald

**15. Would you add further actions under Goal 4, ‘Ensure legislative and regulatory environments are responsive and address the harms caused by alcohol misuse’ (pages 14-16)?**

The Association considers that no further actions are required under this heading. There is already a robust framework in place. An over-reliance on legislation and regulation to provide simple solutions are unlikely to remedy the very complex social problems around alcohol misuse.

As an example of the limitations of legislation, the report leading to the creation of the Sale of Liquor Act 1989 puts it best when it states:

*“The public should understand, however, that legislation alone cannot cure liquor abuse”.*<sup>3</sup>

The Association would like to state that it considers that there should be a consistent regulatory policy approach whereby all officials and agencies recognise and acknowledge “alcohol is alcohol” – regardless of its strength or type. This should underpin all policy development.

Current regulatory provisions including drunk driving blood/breath alcohol limits, minimum age of purchase laws, and advertising codes of practice treat all beverage types exactly the same and so should other policies or regulations, especially those relating to the sale of alcohol.

On Action 4.17 (review of the alcohol excise regime) we note that the Ministry of Health is given as the lead agency (by virtue of it being listed ahead of the NZ Customs Service). Elsewhere, we note that in all other actions, the lead agency is the organisation that has direct legislative jurisdiction or responsibility. It seems to us that the NZ Customs Service should be the lead agency (setting the direction of the review) rather than the Ministry of Health because of its superior institutional, administrative and technical expertise.

As a starting point in any review, the Association recommends that the current alcohol volumetric approach be maintained. Further, reforms to the regime should include movement towards harmonising the rates of excise tax charged against a product’s actual alcohol content irrespective of whether the product was fermented or distilled<sup>4</sup>.

The rationale behind this suggestion is that it has and continues to be a recommendation made by many bodies including expert review panels, The Treasury, NZ Customs Service, the Alcohol Advisory Council (ALAC) and independent economists. A further rationale is that it would remedy the current discriminatory system.

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<sup>3</sup> Report of the Advisory Committee, March 1997

<sup>4</sup> As was intended in Budget 1989

**16. Would you add further actions under Goal 5, 'Improve the collection and communication of data, information and research on alcohol consumption and alcohol-related harm' (pages 16-19)?**

We support improving information availability and robust independent research and surveys of drinking behaviour and patterns.

Without this relevant and robust evidence, policy development would be severely compromised due to lack of information.

By way of illustration, it is absolutely imperative that quality base-line incidence data be first established and then properly analysed. Once such information is available, there can be a greater certainty of direction with action 5.2.1 (concerning fetal alcohol syndrome).

Given the imminent and substantive reviews to be conducted into alcohol advertising and the liquor licensing framework (by the Advertising Standards Authority and by the Law Commission) the Association would recommend actions 5.2.4 and 5.2.5 be brought forward and be commissioned as soon as possible. Research findings and conclusions could greatly assist or inform the major reviews and the wider NAAP.

**17. Where do you feel that efforts should be focused in the next five years to make the biggest difference in reducing alcohol-related harm?**

There are already a multitude of laws governing the sale, consumption, production, composition, marketing and promotion of liquor to safeguard the interests of New Zealanders. Changing New Zealand society's attitude and patterns of drinking would be far more effective than creating any more new regulations.

The Association considers that efforts and resources should be focused into several areas.

The first is to give more attention to the consistent enforcement of existing statutes. And where non-compliance is detected, offenders should be prosecuted in a timely manner. If fault is proven, the full force of available sanctions should be applied by the judiciary.

The second area includes maintaining efforts around public education. For example, the Association feels that the ALAC-led contributions of promoting standard drinks, drinking guidelines information and the important social and culture change programme around binge drinking are critical and should continue.

Thirdly, and as mentioned elsewhere, industry stakeholders must be included in on-going policy development and working with official agencies. Industry stakeholders have a united common interest in reducing any alcohol misuse and irresponsible drinking behaviours. Moreover, industry stakeholders only want to see their products consumed in a responsible and moderate manner.

The fourth area is the need to instil and reflect a culture of personal responsibility and accountability – which is seriously lacking. Increasing state regulation tends to diffuse

personal responsibility. We note that the new drunk driving and supply of alcohol initiatives proposed in the Sale and Supply of Liquor and Liquor Enforcement Bill go some way towards incentivising individuals.

**22. Do you think the National Alcohol Action Plan should have a set time frame? If so, when do you think the National Alcohol Action Plan should be reviewed?**

The NAAP's title specifies a timeframe of 2007-2012 with a covering letter to stakeholders talking of a finalised plan to be launched in 2009. This may need to be revised particularly for all actions listed under goal 4 (National Frameworks) for the reasons explained below.

Firstly, the Association considers that the 2009 launch date may not have allowed sufficient time for the completion of the comprehensive first principles review of the regulatory framework for the sale and supply of liquor (to be conducted by the Law Commission). We note that the Associate Minister of Health, Lianne Dalziel<sup>5</sup> indicated that it would take at least two-and-a-half years to complete. It would therefore be premature to launch any of the actions listed under 4.1 ahead of such a landmark review, given a number of the proposed actions would be still under investigation.

Secondly, actions 4.1 should be consistent with interventions proposed in the government's Sale and Supply of Liquor and Liquor Enforcement Bill and the Public Health Bill. The actions may need to be modified after the consultation process around both bills, depending on the outcomes. Additionally, it would be unhelpful if other actions were to be inconsistent with the FSANZ final report and recommendations on Application A576 – Labelling of Alcoholic Beverages with a Pregnancy Health Advisory Label and the review of mandatory health warnings on packaged alcohol. In both cases, Final Assessment Reports are not expected to be complete until the end of 2009.

The Association considers that in order to achieve an effective, well-informed NAAP and to avoid potential inconsistencies or contradictions, the various legislative and official investigative processes that are currently underway should be allowed to run their full course. In turn, emerging evidence or new data could yield new guidance and insights to improve the NAAP.

Accordingly, we urge that the actions around 4.1 and their subsequent review be deferred until after the outcome of important amending legislation and complex legislative reviews are known. In contrast, the majority of actions, which are non-regulatory in nature, should proceed.

**25. Does the 'Background' section (pages 26-32) provide a fair overview of alcohol consumption patterns and trends, alcohol-related harms, and the international context?**

For a fairer and balanced overview, the section should acknowledge that alcohol beverages are an important and integral part of our culture and that they are widely

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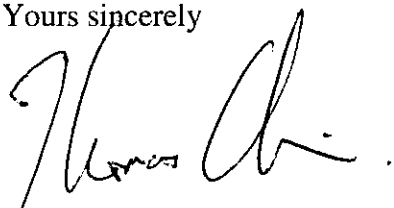
<sup>5</sup> "Law Commission to do full review of liquor laws", Hon Lianne Dalziel 6 August 2008

consumed and enjoyed in New Zealand. The majority of New Zealanders consume alcohol beverages without causing problems to themselves or others.

Further, evidence regarding the social and potential health benefits of moderate and responsible alcohol consumption could be acknowledged and given some attention.

Finally, the paper would do well to shift the emphasis away from viewing all alcohol consumption as harmful and instead focus on individual drinking patterns when practiced in a risky, excessive or immoderate manner.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Thomas Chin', with a stylized flourish at the end.

**Thomas Chin**  
**Chief Executive**