Submission to the Governance and Administration Committee:
Sale and Supply of Alcohol (Renewal of Licences) Amendment Bill (No 2) and Supplementary Order Paper No 14

1. The New Zealand College of Public Health Medicine thanks the Governance and Administration Committee for the opportunity to make a submission on the Sale and Supply of Alcohol (Renewal of Licences) Amendment Bill (No 2) and Supplementary Order Paper No 14 (the Bill).

2. The New Zealand College of Public Health Medicine (NZCPHM) is the professional body representing the medical specialty of public health medicine in New Zealand. We have 236 members, all of whom are medical doctors, including 183 fully qualified Public Health Medicine Specialists, with the majority of the remainder being registrars advanced training in the specialty of public health medicine.

3. Public Health Medicine is the branch of medicine concerned with the assessment of population health and health care needs, the development of policy and strategy, health promotion, the control and prevention of disease, and the organisation of services. The NZCPHM strives to achieve health gain and equity for our population, reducing inequalities across socioeconomic and cultural groups, and promoting environments in which everyone can be healthy.

4. All New Zealand Medical Officers of Health are members of the College, many of whom are directly involved the Local Alcohol Policies (LAP) and Liquor Licensing in the district.

Position:

5. The NZCPHM is concerned that the new alcohol legislation is not working in terms of the intended outcome to curb the significant burden to communities of alcohol-related harm.

6. Along with the devolution of centralised decision-making to local District Licensing Committees, LAPs were intended to enable communities to influence and control the physical and temporal availability of alcohol, through determining the density and location of licensed premises as well as their maximum trading hours.

7. After five years, no adopted LAP has imposed a ceiling on density\(^1\). In addition, maximum trading hours tend to almost always reflect the status quo rather than a tangible reduction in temporal availability. Little or no progress is being made to fulfil the Purpose of the Act and to achieve the Object of the Act.

8. The NZCPHM welcomes the opportunity to comment on the Bill as this is an opportunity to adapt and strengthen this important part of the Act.

---

9. Accordingly, the NZCPHM submits that the Select Committee recommends that the LAP process is strengthened so as to fulfil the Purpose and achieve the Object of the Act by:

- Making LAPs mandatory for all Territorial Authorities (TAs), establishing them as a key mechanism to reduce alcohol-related harm.
- Making it mandatory for LAPs to set limits on density of licences, to reduce physical availability of alcohol through a “sinking-lid” approach.
- Removing the ability of DLCs and ARLA to use discretion in making decisions that are not in accordance with a LAP.
- Making the LAP process more community friendly and strengthen the influence of the Police and Medical Officer of Health.
- Removing the appeal process of PLAPs.

“Sinking-lid” approach to reducing density:

10. Currently the Act only enables TAs to set a ceiling on density, for an area based on the current number of licensed premises. Unfortunately for many neighbourhoods the status quo will already represent excessive proliferation. Section 133(1) in the current Act prevents communities, through their TA, to remedy unwanted proliferation.

11. The international evidence is clear and consistent with respect to consequence of restricting availability to alcohol. Where restrictions are in place, alcohol use and related harms are reduced\(^2\). In particular, reducing licence density correlates with positive outcomes for communities.

12. The NZCPHM supports the aim of this Bill as it will allow for LAPs to put in place a “sinking-lid” approach. Over a relatively short period of time the reduction in physical availability is likely to achieve a meaningful reduction in alcohol-related harm.

Restricting the effect of the Bill to off-licences:

13. It is accepted that the proliferation of licensed premises pertains mostly to off-licences. Research shows that a reduction in off-licences is associated with fewer assaults\(^3\), significant reductions in incidences of sexually transmitted diseases\(^4\) and lower rates of child abuse\(^5\). A

---


study in Counties Manukau reported that increased density of off-licenced premises is associated with increased rates of violent offences, sexual offences, drug and alcohol offences, property abuses, antisocial behaviour, dishonesty offences, traffic offences and motor vehicle accidents. The relationship with density of licenced premises is not restricted to off-licences. New Zealand research found an association not only between off-licence density and binge drinking, but the density of all licence types and alcohol-related harm. Greater on-licence density was found to be associated with increased risk of children being left home without adult supervision, increased likelihood of adolescents not only consuming alcohol, but consuming it in a risky way, and non-intimate partner violence against women. Another New Zealand study has found that the density of taverns is a predictor of the likelihood of assaults at off-peak times.

Consequently, the NZCPHM opposes restricting the effect of the Bill to off-licences as amended by Supplementary Order Paper 014 (“SOP”) on 21 February 2018. This amendment would have the effect of disabling the effectiveness of an LAP in relation to existing on-licences.

Not confining “sinking-lid” policies to just off-licences affords more control over the availability of alcohol through licensed premises to a local community.

Economic cost of the Bill:

It is inevitable that the Bill will have an economic cost as the effect, over time, will be a reduction in the number of licensed premises. This is likely to have an adverse impact on businesses, livelihoods, and profits.

A counter argument is that the human and economic cost of harmful alcohol use is very high. A 2009 study, applying a methodology endorsed by the World Health Organization,

---

estimated harmful alcohol use cost New Zealand $4.9 billion in 2005/06\textsuperscript{12}. Previous estimates have ranged from $735 million to $16.1 billion\textsuperscript{13}.

19. The NZCPHM strongly considers that reducing the human and economic cost of harmful drinking will contribute to a better future for all New Zealanders. This benefit outweighs the cost of a reduction in the number of liquor licences.

20. The NZCPHM also considers that the statutory process for the development and consultation on a Local Alcohol Policy provides the necessary conditions to balance local community interests, including due consideration of the interests of existing licence holders.

21. Moreover, it is the experience of members of the college who are involved with liquor licensing that by the end of the LAP process this balance favours the alcohol industry, at the expense of public health.

The LAP process needs strengthening:

22. LAPs go through three main stages. First, a draft LAP is produced, which is open for submissions. Generally at this stage, communities will ask for tighter regulations, while industry submissions ask for looser ones to safeguard businesses, livelihoods, and profits. A Provisional LAP (PLAP) is then produced based on this feedback.

23. PLAPs are then open to appeals adjudicated by the Alcohol Regulatory Licensing Authority (ARLA). Here lawyers for the alcohol industry slow progress of LAPs, frustrating TAs and watering down any policy provisions that would have made any meaningful difference.

24. Meanwhile, community members must enter an intimidating and adversarial legal environment to argue their concerns about the very real harms being done in their neighbourhoods.

25. As fighting appeals is a lengthy and expensive process for TAs, many choose instead to avoid expensive hearings and negotiate directly with industry appellants and those who have registered as interested parties. Often community members miss out on having any direct input as they are not recognised as an interested party.

26. According the 2017 Alcohol Healthwatch report\textsuperscript{14}, almost two-thirds of Draft LAPs (24, 60\%) contained no specifications that sought to control the overall density of licensed premises, or types of premises.

27. After consultation three Draft LAPs had more restrictive density provisions, four were less restrictive and four remained but with further clarification.


28. During the appeal process the influence of alcohol industry was successful as none of the 21 adopted LAPs contained any restriction on density.

29. It appears that communities are quite disadvantaged by how the Act is being interpreted or implemented, even though the spirit of the Act is enabling for communities. The LAP provisions of the Act are failing and are wasting the time and resources of TAs and communities with legitimate concerns.

30. The NZCPHM therefore concludes that the Amendment Bill does not go far enough to remedy the LAP process. The LAP process needs strengthening so that the process is fit for purpose and can achieve a meaningful reduction in alcohol-related harm.

The NZCPHM is happy to provide further clarification on matter covered in this submission and would like to appear at the Select Committee’s hearings.

Dr Felicity Dumble
President
New Zealand College of Public Health Medicine