



Submission to the Legal Affairs and Community Safety
Committee enquiry into the *Tackling Alcohol Fuelled Violence
Legislation Amendment Bill 2015*

December 2015

EXECUTIVE SUMMARY

The Bundaberg Distilling Company Pty Ltd is committed to supporting the Queensland Government in its effort to develop and implement targeted, evidence based measures to reduce alcohol related harm. We believe this is a joint responsibility across industry, the community, Government and individuals.

Bundaberg Rum is a Queensland institution and for over 125 years we have been proud to play our part in the Queensland community, especially in promoting responsible drinking and ensuring our consumers can enjoy Bundaberg Rum safely.

The fact is that Australians are increasingly drinking more responsibly, as evidenced by official statistics.

Alcohol consumption in Australia today is at the lowest level in 50 years, fewer young people are consuming alcohol, the number of Australians drinking at risky levels continues to fall, and alcohol related violence has been declining significantly for several years.

Given these facts, we are concerned that the measures proposed by the Queensland Government will penalise the majority of Queenslanders who drink responsibly, rather than focus on those troublemakers who commit violence.

In our view, the focus should be on targeted responses, such as increased policing, increased penalties and increased education.

While we believe the Bill should be opposed in its entirety by the Parliament, our submission focuses on those provisions in the Bill which would lead to significant unjustified discrimination against spirits products and significantly, against consumers of Bundaberg Rum.

In addition, our submission also highlights the disproportionate impact the Bill will have on local regional Queensland economies and regional consumers.

The Bundaberg Distilling Company urges the Queensland Parliament to oppose the *Tackling Alcohol-Fuelled Violence Legislation Amendment Bill 2015*.

Diageo: Our business

Diageo is the world's leading premium drinks company with market-leading brands, including the iconic Queensland brand - Bundaberg® Rum. We operate in 180 markets around the world with interests across wine, beer and spirits. Diageo Australia is the parent company of the Bundaberg Distilling Company Pty Ltd.

Diageo is Australia's third largest alcohol beverage supplier and largest supplier of spirits products in Australia. Diageo operates across Australia, and we have a strong focus on our local communities, especially through our Bundaberg Rum Distillery in regional Queensland.

Diageo has a proud record of working with Governments and NGOs to reduce alcohol related harm and promote the responsible consumption of alcohol. We support targeted measures that address alcohol misuse, including education, increased policing and penalties, strengthening responsible service of alcohol, and a greater focus on personal responsibility.

1. SPIRITS – MYTHS AND REALITY

Spirits are often (wrongly) perceived as ‘hard liquor’ due to their high alcohol content by volume (ABV) and thus as ‘higher-risk’ beverages with a link to increased intoxication and harm.

This false perception has fuelled numerous myths about spirits, many of which still hold currency within health and regulatory circles, despite evidence to the contrary. Below are some of the most commonly held myths about spirits and pre-mixed drinks:

Table 1: Myths and Facts about spirits and pre-mixed drinks

MYTH	FACTS
Spirits and pre-mixed drinks are higher risk drinks and lead to increased intoxication and harm.	Research by the Australian Centre for Alcohol Policy Research (funded by FARE) found there is no increased risk of harm from any one alcohol type. ¹
Spirits and pre-mixed drinks are the drink of choice for binge drinkers.	Research by the Australian Demographic and Social Research Institute found that for risky drinkers, beer was more likely to be the drink of choice among young men and there is no specific beverage preference among young women. ²
Pre-mixed drinks are primarily consumed by young adults, especially young women	The single largest demographic of pre-mixed drink consumers is actually males aged 35-55. These people enjoy the convenience of pre-mixed spirits drinks, including on licensed premises.
People get drunk faster off spirits and pre-mixed drinks.	A standard serve of spirits contains only 1 standard drink of alcohol, compared to 1.5 standard drinks in a glass of wine or 2 standard drinks in a pint of beer. Scientifically, the effects of one standard drink of alcohol are the same, whatever the drink.

Many of these myths are based on historical perceptions of distilled spirits going back to events such as England’s ‘Gin Epidemic’ of the 18th Century and the rise in ‘bootleg’ spirits during the US prohibition era. In reality, scientific evidence shows there is no increased risk associated with spirits.

A coalition of academic and research institutes world-wide, including the Centre for Alcohol Policy Research in Australia (funded by the Foundation for Alcohol Research and Education), studied the link between harm and beverage types in 19 different countries, including Australia. The study concluded that there is no increased correlation with harm across any specific beverage type. As the research noted:

“There is no general pattern which holds across cultures of more or less trouble being associated with a particular beverage type.

Clearly, the results suggest that there is nothing inherent in wine, beer or spirits which would universally result in one of these, compared with another, producing a greater rate of problems”³

¹ Centre for Alcohol Policy Research (2013) *Differences in trouble per litre of different alcoholic beverages – A global comparison with the GENACIS dataset*

² Australian Demographic and Social Research Institute (2014), *Beverage consumption patterns and risk category*

³ Centre for Alcohol Policy Research *Op. cit.*

It is important to note that this is not Industry research, but research from the Foundation for Alcohol Research and Education.

Similarly, as stated in Table 1, research by the Australian Demographic and Social Research Institute found that spirits are not the drink of choice for risky drinkers. Rather, beer was more likely to be the drink of choice among young men and there is no specific beverage preference among young women⁴.

To view spirits as 'higher-risk' fails to recognise basic biology in relation to alcohol and how it impacts and is processed by the human body.

The level of intoxication of an individual is determined by the amount of alcohol consumed and the time period in which it was consumed. The amount of alcohol consumed is measured in Australia by standard drinks, with 1 standard drink containing 10 grams of alcohol, regardless of the type of alcohol beverage. On average, recognising the multitude of variables, an average person processes 1 standard drink of alcohol per hour.

In short, the science and research is clear - intoxication and risk is determined by how many standard drinks have been consumed and over what time period, not by the type of alcohol consumed.

We therefore believe there is no justification for restricting one type of alcohol beverage over another.

2. RESTRICTIONS ON SPIRITS AND PRE-MIXED DRINKS

The *Tackling Alcohol-Fuelled Violence Legislation Amendment Bill 2015 (the Bill)* proposes a range of measures aimed at reducing alcohol related violence in and around licensed premises across all of Queensland, including provisions to restrict the sale and service of "high alcohol content" and "rapid consumption" drinks.

The Bundaberg Distilling Company is concerned that these provisions are based on flawed assumptions and would unfairly and unjustifiably impact spirits consumers in Queensland.

Division 1B of the Bill prohibits the sale of "Rapid Intoxication Drinks" (**RIDs**) across Queensland between midnight and 5am, defining an RID as a liquor that is designed to be consumed rapidly or which contains a high percentage of alcohol, to be prescribed by regulation.

While there is little clarity on the specifics of these restrictions, it is clear that the restrictions will in effect ban the consumption of spirits after midnight.

In justifying the restrictions on spirits, the Explanatory Notes to the Bill sets out a narrative which observes that the frequency of alcohol-fuelled violence increases after midnight, when many consumers are drinking spirits, and posits that therefore restrictions on the service of spirits would result in a reduction in violence.

This assumption is fundamentally flawed and based on misconceptions of spirits as higher-risk beverages as outlined in Section 1 of this submission.

It is utterly nonsensical to believe that restricting spirits will have any impact on violence or intoxication. Banning spirits, such as Bundaberg Rum, will simply penalise spirits consumers, the majority of whom are regional Queenslanders.

⁴ Australian Demographic and Social Research Institute *Op. cit.*

The proposed restrictions on spirits become even more absurd when considered against other beverages which are unrestricted. Based on the New South Wales example, under the proposed restrictions:

- After midnight a consumer could purchase a bottle of wine (8 standard drinks) or a pint of beer (2 standard drinks) but not a neat serve of spirits (1 standard drink).
- A premium rum or whisky neat or with ice would not be permitted, but if a consumer adds a mixer, such as cola, the drink becomes permitted. However, if the rum and cola is pre-mixed, it is once again not permitted. Diageo notes that all of these drinks contain only 1 standard drink.
- A serve of Baileys Irish Cream on ice would be banned after midnight, despite having less than half a standard drink (0.4 standard drinks).
- ‘Doubles’ of spirits would be banned after midnight, despite having the same amount of alcohol as a pint of beer (2 standard drinks).
- A 5.8% ABV beer would be permitted, but a 5.5% ABV pre-mixed drink would be banned. In addition, pre-mixed drinks are generally marked with standard drinks information panels so consumers can keep track of their alcohol consumption. In contrast, a glass of wine or beer bears no such information.

These are just some of the examples that highlight the absurdity of restricting spirits over other beverage alcohol products.

We are also concerned that the proposed exemption clauses are discriminatory and unworkable. In order to be granted an exemption from the restrictions on “rapid intoxication drinks”, a licensed premise must meet all of the following requirements:

- The premises or part thereof is used for the sale of “premium” spirits;
- The venue has a capacity to seat not more than 60 patrons at any one time;
- The way in which liquor is served is unlikely to result in rapid consumption; and
- The type and quality of liquor sold differs from other types and qualities and ways served in the locality

These restrictions create a number of complications and raise many questions:

- How are “premium spirits” to be defined? While the ultimate definition is to be prescribed by regulation, the Bill makes clear that the spirit must be of higher value and quality. How is the quality to be determined?
- What is the definition of “high alcohol content” and why does the restriction only apply to “high alcohol” spirits and not to other beverage types?
- What constitutes a serve that is likely or unlikely to result in rapid consumption?

- Are cocktails included in the definition, and if so, will exemption need to be sought for specific cocktails? Will cocktails only be exempted if they are made with “premium spirits” as defined by regulation?
- Will the requirement for the type and quality to differ from others in the locality mean that where there are two or more cocktail bars or whisky bars in a locality, none will be granted an exemption?

The exemption provisions are also extremely discriminatory. In effect, they will exempt small, expensive cocktail or spirits bars, but prevent the average Queenslanders, especially regional Queenslanders, from consuming spirits, because their beverage choice is not sufficiently “premium”.

The implication is that the average Queenslanders cannot be trusted to consume spirits, but wealthy Queenslanders living in metropolitan areas always drink responsibly.

In summary, the proposed restrictions on spirits are not supported by scientific evidence and international research, are complex and unworkable and are highly discriminatory, and therefore should be removed from the *Tackling Alcohol-Fuelled Violence Legislation Amendment Bill 2015*.

3. THE IMPACTS ON REGIONAL QUEENSLAND

For over 125 years, the Bundaberg Distilling Company has been privileged to be an Australian icon and we’re extremely proud of our connection with Queensland and particularly, regional Queensland. In fact, the majority of Bundaberg Rum sales in Queensland are in regional Queensland.

That’s why we’re particularly concerned that the proposed measures not only fail to address the real, root causes of alcohol-fuelled violence, but the Bill before the Parliament also disproportionately impacts regional Queensland.

Many remote and regional towns are being hit hard by the current economic climate and the decline in the mining and resources sector. One of the major economic planks for these regions is tourism – we recognise this and that’s one of the reasons we’re investing \$7.5 million in a new visitor centre at our Bundaberg Distillery.

However, we are concerned that if passed, the *Tackling Alcohol-Fuelled Violence Legislation Amendment Bill 2015* will damage the entertainment, restaurant, catering and accommodation sectors in regional communities with flow on impacts to regional tourism.

The NSW experience has demonstrated that lockouts lead to significant declines in business, with hundreds of jobs lost and many businesses closed as a result of the lockouts. This downturn in the entertainment and night time economy is also having flow on effects to other sectors and the day time economy in the Kings Cross precinct.

Replicating such results in regional Queensland would have a devastating impact on local economies, at a time when many communities are reliant on tourism.

While communities and businesses, such as ours, are investing in tourism, and receiving recognition from the Queensland Government for doing so, at the same time the Queensland Government is seeking to implement ideologically driven restrictions on local pubs, clubs, bars and restaurants to the detriment of the majority of Queenslanders who drink responsibly.

In addition, as outlined in Section 2 of this submission, the proposed restrictions on the sale and service of spirits would disproportionately impact regional Queenslanders. Despite perceptions of spirits and pre-mixed drinks as being high risk products consumed by young people in the city, over 70 per cent of our sales of spirits in Queensland are outside of metropolitan Queensland.

Yet the proposed restrictions contain exemptions which target metropolitan precincts, in effect preventing spirits consumers in regional Queensland from enjoying their preferred product, such as Bundaberg Rum.

The focus on “premium”, small boutique bars and the implication that average Queenslanders cannot be trusted to drink spirits is unfair for all Queenslanders - and it will particularly impact regional consumers.

We therefore believe that the *Tackling Alcohol-Fuelled Violence Legislation Amendment Bill 2015* will not only be ineffective and penalise the responsible majority of Queenslanders, but is also unfair for regional Queensland.

4. CONCLUSION

The *Tackling Alcohol-Fuelled Violence Legislation Amendment Bill 2015* is an unnecessary and flawed approach to reducing alcohol related violence. Alcohol related violence has been declining steadily in Queensland due to targeted interventions, increased education and increased policing and penalties.

The measures proposed by the Queensland Government seek to penalise the majority of Queenslanders who drink responsibly, rather than focus on those troublemakers who commit violence. Violence is unacceptable in our communities and alcohol should not be used as an excuse or justification for violent or anti-social behaviour.

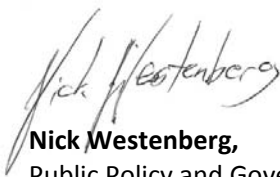
The Bundaberg Distilling Company recognises its responsibility to promote responsible drinking and prevent alcohol misuse and alcohol related harm. We are keen to work with the Queensland Parliament and Government to promote and implement targeted responses which achieve these aims.

However, we believe the provisions of the Bill unfairly penalise the majority of consumers, especially spirits consumers and consumers in regional Queensland

There is no increased harm associated with any particular beverage type that leads to intoxication and harm, and the Bundaberg Distilling Company therefore believes there is no justification for restrictions which single out spirits and pre-mixed drinks.

Banning specific products results only in substitution of other alcohol products, meaning the amount of alcohol consumed by an individual is the same regardless of the restrictions.

The Bundaberg Distilling Company urges the Queensland Parliament to oppose the *Tackling Alcohol-Fuelled Violence Legislation Amendment Bill 2015* in its entirety.



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