

CHiLD POVERTY ACTION GROUP

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Child Poverty Action Group

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Justice and Electoral Committee

Parliament Buildings

Wellington

Submission:

Alcohol Reform Bill

Child Poverty Action Group formed in 1994 because of profound concern that poverty among families is endemic in Aotearoa-New Zealand and becoming increasingly intractable. The aim of our organisation is the development and promotion of better policies for children and young people.

Child Poverty Action Group comprises a group of academics and workers in the fields dedicated to achieving better outcomes for children. We represent a wide network, and our backgrounders and monographs are widely read and distributed. Our reports *Left behind: How social and income inequalities damage our children* (2008) and *Our children: The priority for policy* (2001 & 2003) can be found with other background material at our web site www.cpag.org.nz.

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We wish to speak to this submission**Background**

[1] Child Poverty Action Group submits that all the 153 recommendations of the Law Commission's report *Alcohol in our Lives: Curbing the Harm*¹ be adopted. As the Commission noted at the time of the Report's release, the recommendations are an integrated package designed to minimise the harm from excessive alcohol consumption and its effects on families and communities.

[2] In New Zealand, the costs of the misuse of alcohol, including social costs, is up to \$5.3 billion annually and around \$700 million each year in direct expenditure. Police report that 31% of all reported crime and 33% of violent crime is alcohol-related. A study of attendances at an Auckland hospital's emergency department found that 35% of all injury cases were liquor-related and that consuming alcohol led to an increased risk of an accident by a factor of 2.8.

[3] Importantly, alcohol is a contributing factor in up to 80% of reported domestic violence cases.

[4] This submission will focus on the impact of alcohol on young people. In particular, CPAG is concerned about the concentration of alcohol outlets in low-income areas, and effects of alcohol advertising and marketing on young people. We observe that the explanatory note to the Bill contains no mention of children except in the context of existing legislation.

[5] In New Zealand one child in five under the age of 15 is being raised in poverty,² potentially limiting their development. The Law Commission found alcohol is "a toxic substance," and is particularly damaging to young people. CPAG submits there needs to be greater restrictions on the availability of alcohol, thereby limiting the role which alcohol plays in perpetuating the cycle of poverty.

[6] New Zealand has a marked social gradient with respect to the availability of alcohol, with low-income areas having much greater access to alcohol than higher income areas. The number of outlets per 10,000 population were at least 2.76 times greater among the most deprived fifth of urban neighbourhoods compared to the least deprived fifth. Conversely, a high-income neighbourhood (a census mesh block)

¹ Available http://www.lawcom.govt.nz/project/review-regulatory-framework-sale-and-supply-liquor?quicktabs_23=report.

² Ministry of Social Development, (2010). *Household incomes in New Zealand: trends in indicators of inequality and hardship 1982 to 2009*. Wellington, Ministry of Social Development.

is three times more likely not to have an alcohol outlet within an 800m radius of its centre.³

[7] Cohen et al, 2006, found that the more widely-available alcohol is in a community, the more of it will be consumed.⁴ Where liquor outlets are concentrated, competition causes prices to be lower, and the total cost of drinking will also be lower, because of factors such as lower travel costs and travel time.⁵ The lower cost of liquor tends to drive higher consumption. When heavy drinking is socially acceptable, as signalled by high concentrations of liquor outlets, heavy drinking in turn contributes to reduced neighbourhood safety: roads and footpaths become less safe, and rates of motor vehicle fatalities and other accidental injuries increase. Whether or not they consume alcohol, people living in poorer urban areas with numerous outlets are more likely to suffer alcohol-related violence and accidents.

“Disadvantaged neighbors may be less able to prevent the granting of licenses to sell alcohol. This may be part of a vicious circle: lower socioeconomic status ... may result in more alcohol outlets, more alcohol outlets may lead to more secondhand effects, and more secondhand effects may contribute to decreased real estate values and still lower socioeconomic status.”⁶

[8] While the easy availability of alcohol may be good for consumers, low-income communities recognise the harm it does. Savage & Coursey (2007) note that young residents at a youth hikoi in Clendon protested about the number of bottle stores in the area. They also point out that hand in hand with the rise in loan shark outlets and gambling premises, the number of liquor outlets in Manukau City has increased from 61 in 1990 to 185 in 2006.⁷ Residents in low-income suburbs are increasingly aware that the central issue is one of access, hence the call to regulate the number of liquor outlets. The former Manukau City Council, for example, repeatedly refused to limit its number of liquor outlets, despite having a clear mandate to do so.⁸

[9] Childhood (including the antenatal period) is ideal for optimal growth and development; however children are also vulnerable to the effects of alcohol on their neighbourhood. Recent consultation with children as part of a Health Impact Assessment focussed on Inner Manukau City highlighted the safety concerns that children associate with being around adults influenced by alcohol. Comments included:

³ Pearce, J., Day, P., Witten, K. (2008) Neighbourhood Provision of Food and Alcohol Retailing and Social Deprivation in Urban New Zealand. *Urban policy and Research*, 26(2), 213-227.

⁴ Cohen, D., Ghosh-Dastidar, B., Scribner, R., Miu, A., Scott, M., Robinson, P., et al. (2006). Alcohol outlets, gonorrhoea, and the Los Angeles civil unrest: A longitudinal analysis. *Social Science & Medicine*, 62(12), 3062-3071.

⁵ Wechsler, H., Lee, J., Hall, J., Wagenaar, A., & Lee, H. (2002). Secondhand effects of student alcohol use reported by neighbors of colleges: The role of alcohol outlets. *Social Science & Medicine*, 55(3), pp. 425-35.

⁶ Wechsler, Lee, Hall, Wagenaar, & Lee, 2002, note 4.

⁷ Savage, J & Coursey, M (2007) *Bars are booming* New Zealand Herald, Sunday, July 01, 2007

⁸ Alcohol Health Watch. (2004). South Auckland residents call time on number of liquor outlets. Alcohol Health Watch,

<http://www.ahw.co.nz/newsletter/41/newsletterno41.pdf>; Ministry of Health. (2004b). Planning for the sale of alcohol. Wellington: Ministry of Health, p. 14.

“It will be like noisy, really noisy, public, everything is public and too dangerous because heaps of drunk people are there.”

Q: *WHAT SORT OF THINGS DO YOU THINK WILL THERE NEED TO BE TO MAKE IT GOOD TO LIVE AROUND THERE?*

“Play games...Less bars, but like more security.”

[10] There are long-term benefits associated with delaying alcohol exposure among adolescents. The longitudinal Dunedin Multidisciplinary Health and Development study conducted over 32 years has recently revealed that “50% of adolescents exposed to alcohol and illicit drugs prior to age 15 had no conduct-problem history, yet were still at an increased risk for adult substance dependence, herpes infection, early pregnancy, and crime.”⁹

[11] New Zealand research has shown that for young (14 year-old) heavy drinkers, coming from a disadvantaged background was a noticeable risk factor.¹⁰ Till now, government strategies have focussed on individual behaviour, and placed the onus on communities to demand policies such as raising excise taxes, raising the drinking age, or reinstating licensing trusts that restrict the number of outlets and make a financial contribution back to the local community. We therefore commend the law Commission’s report that directly addressed the availability, price, and marketing of alcohol.

Response to the Bill

Age

[12] CPAG **supports** raising the age for purchase of alcohol from off-license premises to 20. We would prefer this limit also applied to on-license premises but if this is reduced to 18 we **submit that people under 20 be accompanied by someone over 20.**

Licensing

[13] CPAG **does not support** separate rules for the armed forces, police and fire service (Clause 14). There is no reason these professions should be exempt from the rules that apply to others.

[14] CPAG **supports** Clause 38 which restricts the licensing of petrol stations, dairies, conveyances and concessions. Alcohol is already too readily available in many suburbs, and this would simply add to what is a significant social problem.

⁹ Odgers, C., Avshalom, C., Nagin, D., Piquero, A., Slutske, W., Milne, B., Dickson, N., Poulton, R., and Moffitt, T. (2008) . Is it Important to Prevent Early Exposure to Drugs and Alcohol Among Adolescents? *Psychological Science* 19:10.

¹⁰ Ministry of Health. (2002a). Child youth health status report. Wellington: Ministry of Health.

[15] CPAG **submits** that the default national trading hours be further limited to 8am to 1am for on-licenses and 9am to 10pm for off-licenses. The harm from alcohol comes from its ready availability, and the default hours in Clause 44 are unlikely to reduce the harm from excess drinking.

[16] We note that local authorities have the authority to reduce trading hours, however CPAG argues this is an abdication of responsibility of the legislature. The reality is that local communities, especially low-income communities, have little power against well-financed alcohol purveyors and their often significant legal entourages. CPAG **submits** that trading hours restrictions be reduced, and that the onus be put on the liquor and hospitality industry to argue for more trading hours in the event they want them.

TA policies

[17] CPAG **strongly supports** territorial authorities being able to have their own alcohol policies (Clause 75). Local communities have long asked for a say in the number of alcohol outlets in their neighbourhoods, and CPAG supports this.

[18] CPAG **does not support** Clause 92 which allows for the expiration of local policies after 6 years. CPAG **submits** this clause be deleted.

Appeals

[19] CPAG **supports** Clause 140 that allows any party to a proceedings to appeal to the Licensing Authority. We **do not support** Clause 143 which restricts appeals to the High Court. CPAG **submits** that appeals to the High Court must be open to all parties, not just applicants, in the same way as appeals to the Licensing Authority.

Other matters

[20] The Law Commission canvassed other matters, and CPAG is disappointed that these have been put to one side by government. These include:

- increasing excise duty on some forms of alcohol, especially ready-to-drinks (RTDs) specifically formulated for and marketed to young people;
- controls on alcohol promotions and advertising and ending alcohol sponsorship of sports events;
- reducing the alcohol limit for drivers from 0.8mg per litre of blood to 0.5mg;
- using additional excise taxes to pay for treatment programmes.

While excess alcohol consumption is everyone's problem, children bear the greatest burden through alcohol-fuelled violence within the home and the wider community, reduced household income, and a lack of treatment facilities for those around them

with alcohol addictions. When setting policies around alcohol, including the current Bill, CPAG urges the committee to be mindful of the destructive effects of alcohol on children's lives.