



# Australian Hotels Association

## Submission regarding the National Alcohol Strategy Development Discussion Paper

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## **1 ABOUT THE AHA**

The Australian Hotels Association (AHA) is an organisation of employers in the hotel and hospitality industry registered under the *Fair Work (Registered Organisations) Act 2009*. Its diverse membership of more than 5,000 licensed hotel businesses includes pub-style hotels plus three, four and five-star international accommodation hotels located in each state and territory.

Hoteliers are real people, who create real businesses, which create real jobs, and pay real taxes. Hoteliers enable capital and human investment that underpins Australia's hospitality and tourism industry. Hotels are not part of the share or digital economy shifting multinational profits off shore. Australian hotels create the following economic benefit:

- Over 5,000 businesses
- Generating over \$12,000,000,000 economic benefit
- Providing over 270,000 jobs
- Supporting over 50,000 community groups

The Australian hotel industry is a 24/7 labour intensive service industry and is a key element of Australia's tourism industry. Hotels employ over 270,000 people. The makeup of the hotel workforce is extremely diverse and includes adults of all genders and ages. The hotel industry also draws on a diversity of skills including skilled, unskilled, and entry level workers.

Hotels are community meeting places ingrained in Australia's social fabric, from rural communities and regional centres to city suburban areas and central business districts. Hotels perform an intrinsic role in creating social inclusion and activity. Australian hotels are a key pillar in Australia's tourism and hospitality industry.

Obviously, the sale of alcohol beverages are a core part of what hotels offer – however, hotels are also more than that. Hotels provide a place for people to gather, have a drink, meet new friends, enjoy live music, find a bed when away from home, share a meal and relax and enjoy themselves in a safe environment.

By their nature, hotels are often the social hubs of their communities. They are places where alcohol beverages are legitimately and responsibly consumed. The risk to hotels and their patrons of "knock on" effects created by whole of population policy approaches to alcohol beverages should be avoided.

## **2 EXECUTIVE SUMMARY**

AHA acknowledges that whilst the sale of alcohol beverages creates tremendous economic and social benefit, alcohol beverages have the potential to be misused. Where such misuse has the capacity to harm themselves or others, targeted policies are warranted.

However, for the vast majority of Australians who do not misuse alcohol beverages, whole of population strategies aimed at decreasing total consumption are not warranted. The AHA strongly supports the responsible sale, service and consumption of alcohol beverages. AHA makes the following observations:

- At the same time that many Australians wish to celebrate and promote a pub culture, there are some who seek to denigrate what is a legitimate business and social activity
- AHA supports the notion that members of society who consume alcohol responsibly should not be targeted
- AHA is very concerned about individuals that misuse alcohol beverages and the negative impact this behaviour has on them, their families and society. Legislation that targets the individuals or businesses that commit crime should be promoted rather than blanket measures that restrict individual freedoms
- The AHA remains committed to working with all stakeholders to combat the misuse of alcohol beverages

The use of whole of population measures should be avoided where the misuse by specific individuals or groups can be targeted. Any policies in regard to alcohol beverages should have regard to the following factors:

- There is a need for policies to target individuals or groups that misuse (or risk misusing) alcohol beverages
- Policies are and should continue to be targeted at those that misuse alcohol beverages and not at the whole population
- The impact of any policy upon moderate and responsible consumers should be quantified
- The effectiveness of the proposed policies should be measured
- Intervention should be commensurate to the associated risk

Obviously, the responsible sale of alcohol is a core part of what hotels offer – however, hotels are also more than that. Hotels provide a place for people to gather, share a meal, have a drink, meet new friends, listen to live music, find a bed when away from home, and relax and enjoy themselves in a safe environment.

### **3 THE FACTS**

In the 1960s, 70% of alcohol beverages were consumed in licensed venues and around 30% in domestic environments. Technological, social and legal changes have reversed that equation and today, more than 70% of alcohol beverages are consumed away from licensed premises. The Australian Institute of Health and Welfare conducts a National Drug Strategy Household Survey. The most recent survey found that between 2010 and 2013:

- Daily drinking declined significantly from 7.2% to 6.5% and was at the lowest level seen since 1991
- The proportion of people who had never consumed a full serve of alcohol beverages increased from 12.1% to 13.8%
- The age at which 14 to 24-year-olds first tried alcohol beverages has increased since 1998 from 14.4 to 15.7 years in 2013
- The percentage of people who consumed 11 or more standard drinks on a single occasion in the previous 12 months decreased from 16.8% to 15.6%

Further:

- Per capita liquor consumption in Australia has declined by 20% over the past 30 years from more than 12 litres per person per annum to less than 10 litres per person per annum and that this trend is ongoing.

- Beer consumption in Australia is the lowest in 60 years.
- It is estimated that in most venues 40% of alcohol beverages are now served with food

This trend towards reduced per-capita liquor consumption is likely to continue.

## 4 STRATEGIES TO REDUCE MISUSE OF ALCOHOL BEVERAGES

There are two types of general strategy used to combat the misuse of alcohol beverages:

Whole of population	Targeted
<ul style="list-style-type: none"> <li>• Aims to reduce total alcohol beverages consumption over the whole population</li> <li>• Increases risk of reduction of economic impact</li> <li>• Is often dressed up as health based policy but in reality is a revenue grab by government</li> <li>• Reduces safe enjoyment and social interaction</li> </ul>	<ul style="list-style-type: none"> <li>• Aims to reduce misuse by particular individuals or groups</li> <li>• Reduces risk of negative economic impact</li> <li>• Legitimate policy aimed at those that misuse alcohol beverages</li> </ul>

AHA contends that strategies and policies relating to alcohol beverages should be targeted towards those persons or groups that misuse alcohol beverages and not have the effect of restricting the personal choice of the majority who are consuming alcohol beverages responsibly.

## 5 LEGISLATIVE FRAMEWORK

Hotel businesses are covered by extensive industry-specific legislation and regulation related to e.g. liquor, food, gambling, entertainment, and smoking. The principal legislation governing hotels are the Liquor Acts of each state and territory, and in general they set out similar objects. Generally, these objects include:

- Providing adequate controls over the supply and consumption of liquor in a way that is consistent with the expectations, needs and aspirations of the community
- Facilitating the balanced development of the liquor industry and related industries such as the live music, entertainment, tourism and hospitality industries

Flowing from these objectives, there are specific obligations to do the following:

- Encourage a culture of responsible promotion and consumption of liquor
- Reduce risky drinking and misuse of liquor, and
- Minimise adverse effects on the amenity of the community

Hotels are the safest places for the sale and consumption of alcohol beverages. As part of their commitment to ensuring the moderate and responsible consumption of alcohol beverages, hotels are supportive of a regulated environment provided that the regulations are evidence based, target specific, valid and appropriate.

## 6 BEST PRACTICE

Hotels have worked over many years with state governments and their local liquor accords on the following key priorities:

- Ensuring there is no sale and supply to underage
- Not tolerating Intoxication and drunkenness
- Ensuring a safe environment within the hotel
- Ensuring amenity of the surrounding area

Every day, hotel staff make appropriate decisions to restrict personal choice where the misuse of alcohol beverages might cause harm to others or themselves. For example, hotel staff must have undertaken formal state approved training that requires them to:

- Ensure proof of age prior to sale
- Ensure alcohol beverages are consumed in a responsible manner
- Prohibit the rapid or excessive consumption of alcohol beverages
- Identify erratic drinking patterns and consumers at risk
- Refuse service in situations of misuse
- Provide appropriate assistance to customers when refusing service
- Serve standard drinks only

## **7 ENCOURAGING MODERATE CONSUMPTION**

Businesses licensed to sell alcohol beverages are the third most highly regulated industry sector after medicine and pharmaceuticals. AHA supports evidence based targeted policies directed towards individuals or groups that misuse alcohol beverages. The economic benefit created by hotels above means that whole of population “blunt” approaches to alcohol beverages policy must be avoided. AHA contends:

- Moderate alcoholic beverage consumption can be part of a healthy and enjoyable life.
- Misuse or excessive consumption of alcohol beverages must be discouraged
- The vast majority of Australians consume alcohol beverages in a moderate and responsible manner; they should not suffer from the misuse of alcohol beverages by a few.
- Whilst there can be risks from excessive alcoholic beverage consumption, moderate alcoholic beverage consumption is considered acceptable.
- Public policy aimed at mitigating the negative effects of alcohol misuse should be targeted at individuals or groups that misuse alcohol beverages, rather than whole of population “blunt” approaches.

The AHA acknowledge that some individuals and groups engage in risky drinking practices. Safe practices enforced by hotels include:

- Assessing intoxication levels of customers using a number of methods, including observing changes in behaviour, observing emotional and physical state, and monitoring noise levels and drink purchases
- Monitor emotional and physical state of customers for signs of intoxication and ill effects of illicit or other drug usage
- Identify customers to whom sale or service must be refused according to state and territory legislation, including minors, those purchasing on behalf of minors, intoxicated persons, and persons affected by the consumption of illicit and other drugs
- Developing and promoting low and mid strength alcohol beverages

Hotels are proud to be at the forefront of trying to improve drinking culture by actively supporting low risk drinking in their premises.

## **8 COMMUNITY EXPECTATION**

There is an expectation from the community that they can buy and enjoy alcohol beverages. The sale of alcohol beverages contributes to the economic and social development of the community. The general enjoyment and personal choice of people to consume alcohol beverages responsibly should not be restricted.

Likewise, the community has an expectation that public amenity should not be impinged by persons who consume alcohol beverages irresponsibly. Hotels participate in local community accords where the impact on community amenity is discussed and local solutions for local people are developed and implemented.

## **9 TAXATION**

Proponents of whole of population based measures (as opposed to measures targeted at those at risk of misuse) favour increasing overall taxation of alcohol beverages as a means of reducing overall alcohol beverages consumption. However, there is very little evidence that such taxation increases have any effect on those that misuse alcohol beverages.

Rather, such increases generally have the effect of reducing consumption by the vast majority of people who enjoy alcohol beverages on a moderate and responsible basis. Taxation from alcohol beverages raises about \$5 billion per annum.

## **10 CONCLUSION**

AHA thanks the Review for the opportunity to make a submission. In summary:

- The positive social and economic benefits of the sale and consumption of alcohol should be acknowledged with any policy relating to alcohol
  - AHA acknowledges that there is a need to continue efforts to reduce the misuse of alcohol beverages
  - Policies are and should continue to be targeted at those that misuse alcohol beverages and not at the whole population
  - There is a legitimate expectation from the community that those who enjoy alcohol beverages responsibly and in moderation should not be penalized
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