

Auckland Regional Public Health Service

Rātonga Hauora ā Iwi o Tamaki Makaurau



Working with the people of Auckland, Counties Manukau and Waitemata

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Secretariat
Social Services Committee
Parliament House
Wellington

Submission on the Sale of Liquor (Objections to Applications) Amendment Bill

1. Thank you for the opportunity for the Auckland Regional Public Health Service (ARPHS) to provide a submission to the Sale of Liquor (Objections to Applications) Amendment Bill. ARPHS would like to appear before the select committee.
2. ARPHS provides public health services for Auckland, Counties Manukau and Waitemata District Health Boards. This submission represents the views of ARPHS and does not necessarily reflect the views of the three District Health Boards.
3. ARPHS understands that all submissions will be available under the Official Information Act 1982, except if grounds set out under the Act apply.
4. The primary contact person for this submission is:

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1.0 Executive Summary and Key Recommendations

5. Alcohol is an addictive substance with significant negative personal, social and economic costs. Hazardous alcohol use is a major public health issue. The Alcohol Advisory Council (ALAC) has emphasised the importance of both the pattern of drinking and the volume of alcohol consumed, as a major determinant of the health impacts in a population.¹
6. The Auckland Regional Public Health Service **supports** the intent of the amendment bill to make wider provision for objections to applications for on-licences and off-licences.
7. However, the Bill does not cover all of the issues and concerns associated with alcohol related harm. ARPHS **supports** the recently announced Law Commission comprehensive full review of the Sale of Liquor Act 1989.
8. Requiring applicants to conduct individual social impact assessments (SIA) is deemed **unfeasible** and unlikely to lead to a reduction in alcohol related harm.
9. ARPHS **recommends** that the Bill make provision for district wide policy level Health Impact Assessments (HIA) to be conducted by local government. A policy level HIA, conducted every 5 years or so, would inform and guide local alcohol plans and strategies, town planning, district plans, and bylaws to limit alcohol related harm to the community.
10. The Sale of Liquor Act 1989 provides for the Medical Officer of Health (MOH) to apply for a suspension and report on all on- or club- licensed premises. ARPHS strongly **recommends** expanding the role of the Medical Officer of Health to be able to report on and oppose a license, apply for a suspension, or cancellation of a license for *all* licensed premises based on potential adverse effects on public health. These powers will enable the area MOH to act promptly, in conjunction with the District Licensing Authority (DLA), to seek minimisation of harm from alcohol to the local and wider community.
11. The recent 2006/2007 New Zealand Health Survey² found higher levels of hazardous drinking in the most deprived areas of New Zealand. Thus ARPHS **recommends** that the location and number/density of outlets be considered when license applications are lodged. Limiting the location and density of licensed premises can help reduce alcohol-related harm. The Medical Officer of Health should be able to oppose a proposed license on these grounds with the DLA giving due consideration to these concerns.
12. The following submission is broken down into the following sections:
 - 2.0 ARPHS and alcohol-related harm
 - 3.0 Selected clause by clause analysis
 - 4.0 General comments on the Amendment Bill
 - 5.0 Broader Sale of Liquor Act 1989 Issues
 - 6.0 Conclusion

¹Connor, J. The health benefits of alcohol: yeah right. *Journal of the New Zealand Medical Association*, 03-June-2005, 118(1216).

²Ministry of Health. 2008. *A portrait of health. Key results of the 2006/2007 New Zealand Health Survey*. Wellington: Ministry of Health.

2.0 ARPHS and alcohol-related harm reduction

13. ARPHS provides public health services for the three DHBs operating in the Auckland region. This includes the area covered by seven territorial authorities and the Auckland Regional Council.
14. ARPHS is funded by the Ministry of Health to contribute to the achievement of the thirteen priority health objectives identified in New Zealand Health Strategy. One of the thirteen population health priorities identified in the Strategy is “to minimise harm caused by alcohol and illicit and other drug use to both individuals and the community”.³ Alcohol is also identified as a risk factor for a number of the other priorities such as those dealing with cancer, chronic liver disease, cardio-vascular disease, suicide and domestic violence.
15. Alcohol use and availability is one of the areas featured in the ARPHS State of Public Health in the Auckland Region (SOPHAR) report⁴. This report presents a comprehensive range of information on the wider determinants of health in the Auckland region and how these are associated with the region’s overall public health status.
16. Alcohol has a significant impact on perpetuating health inequalities in already disadvantaged populations. Alcohol is estimated to be responsible for around 1,040 deaths each year⁵, with rates highest among the young, males and Māori. Pacific drinkers consume larger annual volumes of absolute alcohol than drinkers in the general New Zealand population, which increase the risk of acute health effects such as violence⁶. These groups exhibit higher levels of hazardous drinking in the Auckland region and it is a major public health concern given that there is a positive relationship between excessive alcohol consumption and injury⁷.
17. Furthermore, alcohol outlet density is positively correlated with violence and assault levels. As alcohol outlet density increases, so do the levels of assault⁸. ARPHS **supports** the potential of the Bill to either restrict location density or number of outlets.
18. One way to reduce alcohol-related harm is to employ supply control strategies. This amendment bill aims to curb supply by making wider provisions to objections for license applications. Supply control strategies are mostly achieved through legislation. According to a research study on the effectiveness of alcohol strategies, Babor et al⁹ found that the regulation of physical availability of alcohol was an effective supply control strategy.
19. ARPHS also functions in a regulatory capacity. The Medical Officer of Health (MOH) has a statutory obligation under the Sale of Liquor Act (1989) to inquire into and file a report with the District Licensing Agency (DLA) on matters in opposition to an application for an on- or club- licence. ARPHS’ objective in relation to, and consistent with the intent of, the Act is to minimise the harm associated with the consumption of alcohol.

³ Ministry of Health. (2000). *The New Zealand Health Strategy*. Wellington: Ministry of Health.

⁴ Improving Health and Wellbeing: A Public Health Perspective for Local Authorities in the Auckland Region http://www.arphs.govt.nz/publications/Sophar06/Sophar_report06.asp

⁵ Conner, J. et al. (2005). *The burden of death, disease and disability due to alcohol in New Zealand*. <http://www.alac.org.nz/Publications/asp>

⁶ Huakau, J. et al. New Zealand Pacific peoples’ drinking style: too much or nothing at all? *Journal of the New Zealand Medical Association*, 03-June-2005, 118 (1216).

⁷ Brewer, R. & Swahn, M. (2005). Binge drinking and violence. *Journal of the American Medical Association*, 294(5), 616-618.

⁸ Chikritzhs T, Catalano P, Pascal R, Henrickson N. Predicting alcohol-related harms from licensed outlet density: A feasibility study. Hobart: National Drug Law Enforcement Research Fund; 2007

⁹ Babor, T. et al. (2003). *Alcohol: No Ordinary Commodity – Research and public policy*. Oxford: Oxford University Press, p 264-269.

3.0 Selected clause by clause analysis

Part 1: On-licenses AND Part 2: Off-licenses

4 **New section 9A inserted - “Application for on-license to include evaluation of benefits and costs”**

8 **New section 31A inserted - “Application for off-license to include evaluation of benefits and costs”**

20. It is **recommended** that the Medical Officer of Health should be notified of and report on all licence applications and renewals regardless of licence type (on, club, off and conveyances).

21. The intent of subsection (1) to include an evaluation of benefits and costs is notably **supported**. However, requiring applicants to conduct individual social impact assessments (SIA) is deemed **unfeasible** and unlikely to lead to a reduction in alcohol related harm. The implementation of the social impact evaluation at an individual level is not practical due to potential lack of expertise or competency in the quality of evaluation information at an individual applicant level.

22. The **recommended alternative** is to grant the Medical Officer of Health, with regulatory partners (police, DLA), resources to coordinate district wide health impact assessments directed at local government policy level. Please refer to paragraph 24 of Section 4.0 for an explanation of health impact assessments.

23. The Health Impact Assessment would be used to inform and guide the development of council alcohol plans, strategies and policies with the objective of reducing alcohol related harm and informing the necessary changes in council district plans. Policy level HIA is recommended for the following reasons:

- i. It would allow for a more considered approach to controlling the location of an outlet through the zoning policies of a district plan.
- ii. District level HIA would provide an overall assessment of the impact of alcohol consumption in the community.
- iii. District level HIA would provide an assessment of the accumulative effects resulting from the increasing number of liquor outlets appearing in the community.
- iv. District level HIA would strengthen the role of the DLA, Police and the Medical Officer of Health if they are given the opportunity to take the HIA findings into consideration when reporting on a licence application. Currently these agencies cannot sufficiently influence license approval based on future harm in a given community that may result from increased outlet density or their location in relation to other activities (such as schools, youth sports clubs). Currently these agencies are limited to commenting on an applicant’s suitability to hold a licence.

24. If the content of the bill cannot be amended to accommodate the above recommendations, ARPHS **suggests** inserting the word “health” in part (a) and (b) to read as follows:

- i. “(a) the likely health and social impact, including monetary and non-monetary costs, and reasons, on the area to which the application relates;
- ii. “(b) the reasons given for the health and social costs and impact of liquor consumption.

25. **Recommended addition** - Insert a part (c) to read as follows:

26. “(c) with particular consideration given to vulnerable and high-risk populations given there are clear health disparities between certain groups.
27. ARPHS **requests** that the social impact assessment evaluation be submitted to the police, DLA and the Medical Officer of Health when preparing their reports as required in Section 11 of the Act.

5 **Objections**

9 **Objections**

28. ARPHS **supports** subsections (1), (2), (3).
29. If the objection period is extended from 10 to 20 working days in subsection (2) for the public, it is **requested** that the Act be amended to also extend the Medical Officer of Health reporting times stated in Section 11(3) from 15 days to 20 days. The reporting times stated in Section 11(4) of the Act should be changed from 20 days to 25 days. The social and health impact assessments will need to be considered, thus longer reporting times should be granted to accommodate the increased work associated with the licence application process.
30. ARPHS **recommends** amending the new subsection (6) part (b) to read as follows:
- i. “(b) any significant community organisation including, but not limited to, a school, an early childhood education and care centre, or a church. The Medical Officer of Health may act on behalf of communities as he/she has access to data, statistics and evidence to support claims on the impact of alcohol consumption on the wider community.”

6 **Criteria for on-licenses**

10 **Criteria for off-licenses**

31. ARPHS strongly **supports** these amendments.

7 **New section 13 A inserted**

11 **New section 35A inserted**

32. Please note an apparent typo in subsection (1) on page 3: “Where objection to an off-license...” should read “Where objection to an on-license...”
33. ARPHS **supports** subsections (1), (2), (3).

4.0 General comments on the Amendment Bill

34. APRHS **supports** the intent of the Bill to make wider provision for objections to applications for on- and off-licences. However, this is likely to be problematic for objectors given the onus placed upon them to provide evidence of adverse impact relating to a specific liquor outlet if the application is granted.
35. ARPHS **recommends** that the Bill provide more clarity around the following concepts:
- a. The evaluation to be prepared by liquor licence applicants.
 - b. The definition of “social and economic impact”.
 - c. What is required in the evaluation of the “likely social and economic impact, including monetary and non-monetary costs, and reasons, on the area to which the application relates”.
 - d. What is required in the evaluation of the “reasons given for the costs and impact of liquor consumption”.

Health Impact Assessment

36. ARPHS **recommends** the application of a policy level Health Impact Assessment (HIA) to guide and inform local alcohol plans and strategies, district plans and bylaws relating to alcohol permits and zoning. HIA is explained as:

*a combination of procedures, methods and tools by which a policy, programme or project may be assessed and judged for its potential effects on the health of a population, and the distribution of those effects within the population.*¹⁰

The Ministry of Health developed a guide to conduct HIAs called *A Guide to Health Impact Assessment: A policy tool for New Zealand*¹¹. The benefit of applying a Health Impact Assessment framework to policy planning is that adverse health and inequalities risks can be planned for or prevented.

The New Zealand Health Impact Assessment Support Unit¹² has been established as part of a wider strategy to improve health and reduce inequalities in New Zealand. The support unit’s key functions include:

- Raise awareness about HIA and the tools available to undertake health impact assessment
- Support the development and effective use of the health impact assessment approach in New Zealand through building partnerships with key statutory, voluntary, community and private organisations
- Provide technical advice, guidance and support to those who are in the process of starting or undertaking an health impact assessment

¹⁰ Mahoney, M., Durham, G. (2002). *Health Impact Assessment: a Tool for Policy Development in Australia*. Deakin University.

¹¹ Public Health Advisory Committee. (2005). *A Guide to Health Impact Assessment: A policy tool for New Zealand* 2nd Edition. Wellington.

¹² Ministry of Health. (2008). New Zealand Health Impact Assessment Support Unit.
<http://www.moh.govt.nz/hiasupportunit>

5.0 Broader Sale of Liquor Act 1989 Issues

37. The Amendment Bill does not cover all of the issues and concerns ARPHS has in relation to the SoLA 1989. Therefore, ARPHS **supports** the Law Commission's comprehensive full review of the Act. The following paragraphs present a selection of issues to be considered in the full review:
38. The SoLA 1989 should make provision for the setting of licence application fees to cover enforcement and compliance costs by the DLA, police and Medical Officer of Health in carrying out their duties under the Act.
39. The DLA, police and Medical Officer of Health should have the authority to impose infringement fines (preferably on the spot fines) where breaches of the Act are evident during compliance visits.

Location and density of licensed premises

40. Each licence application is currently processed without any regard to the presence of other liquor outlets in any given geographic location.
41. ARPHS **recommends** that the location and number/density of outlets be considered when license applications are lodged. Limiting the location and density of licensed premises can help reduce alcohol-related harm. The Medical Officer of Health should be able to oppose a proposed license on these grounds with the DLA giving due consideration to these concerns.
42. There is a growing body of evidence that links alcohol-related harm to the physical environment, particularly the density of licensed premises¹³. International evidence confirms that a high density of alcohol outlets correlates with increased alcohol-related harm.
43. A geographical analysis of the location of off-license liquor premises in Auckland reveals that a larger proportion of people living in higher NZ deprivation deciles (those who are most socio-economically deprived) areas are located within 1,000 metres of off-licensed premises (figure 1). It follows that lower socioeconomic populations have greater access to alcohol and therefore are likely to bear the social and health burden associated with alcohol consumption.

¹³ Auckland Regional Public Health Service. (2005a). *Alcohol in Auckland: Reducing associated harm*. Auckland: Auckland Regional Public Health Service.
http://www.arphs.govt.nz/Publications_reports/alcoholtobacco/Alcohol%20in%20AklId.reslo.pdf

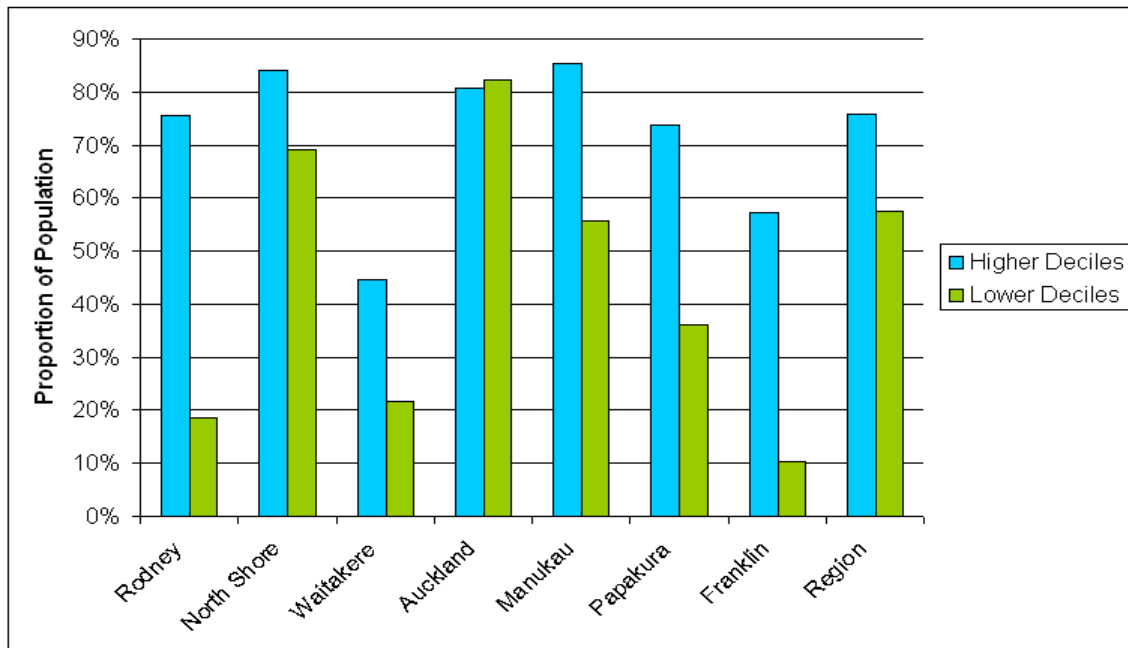


Figure 1. Proportion of populations in higher and lower decile areas within 1,000 metres of an off-licence liquor outlet by TA¹⁴

44. The recent 2006/2007 New Zealand Health Survey¹⁵ found higher levels of hazardous drinking in the most deprived areas of New Zealand (figure 2). Thus, location and number/density of outlets should be considered in the application process of proposed licensed outlets in order to prevent alcohol related harm.

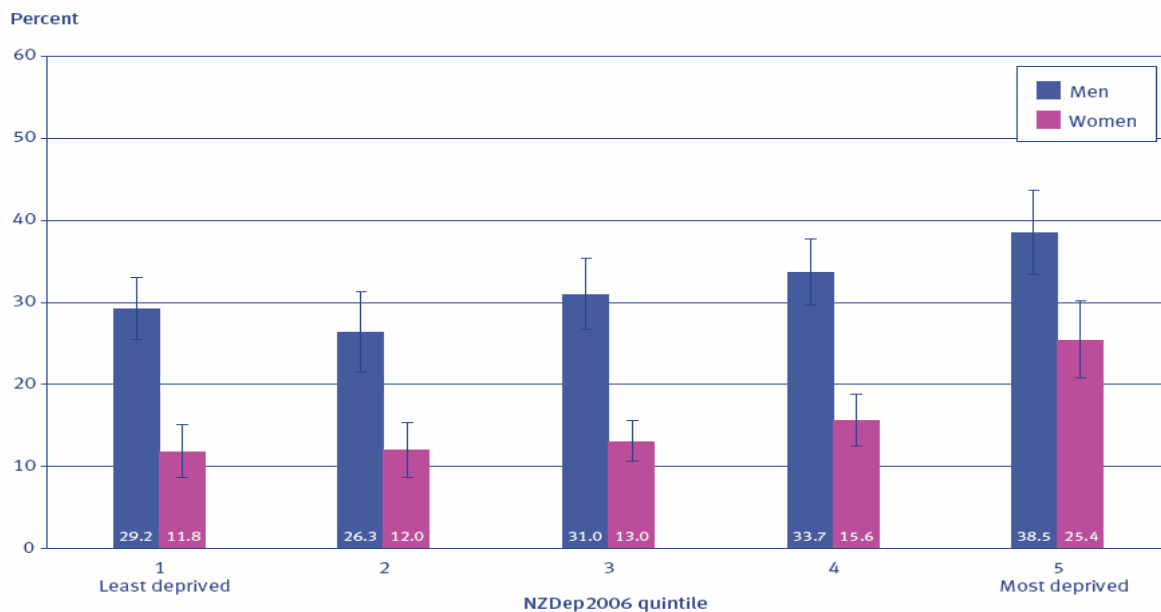


Figure 2. Hazardous drinking for drinkers, by NZDep2006 quintile and gender (age standardised prevalence)¹⁶

¹⁴ Auckland Regional Public Health Service. (2006). *Improving health and wellbeing: A public health perspective for local authorities in the Auckland region*. Auckland: Auckland Regional Public Health Service.

¹⁵ Ministry of Health. 2008. *A portrait of health. Key results of the 2006/2007 New Zealand Health Survey*. Wellington: Ministry of Health.

¹⁶ Ministry of Health. 2008. *A portrait of health. Key results of the 2006/2007 New Zealand Health Survey*. Wellington: Ministry of Health, p. 72.

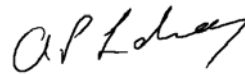
6.0 Conclusion

45. Auckland Regional Public Health Service supports the intent of the SoLA Amendment Bill to protect “affected parties” from liquor licensed premises.
46. ARPHS has made several recommendations to improve the quality of the Amendment Bill. However, a full review of the Sale of Liquor Act 1989 is overdue and this would provide the opportunity to address many other issues and concerns outside the scope of this Bill.
47. ARPHS would like to appear before the select committee.

Yours Sincerely



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