



**Sale and Supply of Alcohol (Display of Low-alcohol Beverages and Other Remedial Matters)
Amendment Bill
Justice and Electoral Committee**

The Salvation Army New Zealand Fiji and Tonga Territory Submission

BACKGROUND

1. The Salvation Army is an international Christian and social services organisation that has worked in New Zealand for over one hundred and thirty years. The Army provides a wide-range of practical social, community and faith-based services, particularly for those who are suffering, facing injustice or those who have been forgotten and marginalised by mainstream society.
2. We have over 90 Community Ministry centres and Churches (Corps) across the nation, serving local families and communities. We are passionately committed to our communities as we aim to fulfil our mission of caring for people, transforming lives and reforming society through God in Christ by the Holy Spirit's power¹.
3. This submission has been prepared by the Social Policy and Parliamentary Unit of The Salvation Army. This Unit works towards the eradication of poverty by encouraging policies and practices that strengthen the social framework of New Zealand.
4. This submission has been approved by Commissioner Robert Donaldson of The Salvation Army's New Zealand, Fiji and Tonga Territory.

THE SALVATION ARMY PERSPECTIVE

5. The Salvation Army sees the effects of alcohol-related harm on New Zealanders' lives every-day across its centres around the country. We believe that it is vital that the object of the Sale and Supply of Alcohol Act 2012 (the 'Act'), which is *to minimise the range of harms caused by the excessive or inappropriate consumption of alcohol*, is kept central to any discussion around amendments to the Act.
6. It is notable that these minor amendments have arisen out of lobbying from the retail and alcohol industry.² Whilst The Salvation Army supports the changes proposed in principle, we

¹ <http://www.salvationarmy.org.nz/our-community/mission/>

² Sale and Supply of Alcohol (Display of Low-alcohol Beverages and Other Remedial Matters) Amendment Bill — First Reading

submit that the robust recommendations of the Law Commission's 2010 report *Alcohol in our lives: Curbing the Harm* are still given priority in any discussion of the working of the Act. There are multiple recommendations made by the Law Commission that have not been implemented, and yet have great potential to reduce the economic and social harm of New Zealand's drinking culture. The Salvation Army would welcome a bigger reform which would provide an opportunity to better assess the current challenges and problems with the Act.

SPECIFIC RESPONSES TO AMENDMENT

Clause 5: Section 114 amended (Effect of single-area conditions)

7. The Salvation Army supports the intention of the amendment to section 114 so that low alcohol and quasi-alcohol drinks can be included in the "single areas" of supermarkets so that customers are better presented with alternatives in the alcohol section.
8. However it is the understanding of The Salvation Army that the Bill will allow the display and promotion of low/quasi-alcohol beverages within the single area AND within the main body of the supermarket or grocery store. As has been identified by Parliamentary debates on the Bill, having low/quasi-alcohol drinks available amidst soft drinks has the risk of further normalising alcohol as an everyday beverage and contradicts the original aim of the single area conditions, which is to "limit (so far as is reasonably practicable) the exposure of shoppers in supermarkets and grocery stores to displays and promotions of alcohol, and advertisements for alcohol."³ This position is supported by major supermarket chains; FoodStuffs supermarkets have stated publicly that they "believe that it would be unethical and irresponsible to place these products within the beverage aisle next to soft drinks."⁴
9. The Salvation Army submits that this perhaps unintended consequence is clarified and it is made clear in the Bill that low-alcohol and quasi-alcohol products should *only* be displayed in the single areas in supermarkets.

The sale of alcohol in supermarkets

10. The Salvation Army submits that it is important to note that of the 6,538 submitters who provided submissions (form and substantive) to the Law Commission on matters relating to supermarkets selling alcohol, the majority (98.5% form, 84% substantive) opposed the supermarket sale of alcohol altogether.⁵ Supermarkets are of particular concern because of their ability to increase availability (large stores) and decrease price (substantial bargaining power and low profit margins).⁶

³ Sale and Supply of Alcohol Act 2012, section 112.

⁴ John Anthony "Alcohol free beer given legislation lifeline" <www.stuff.co.nz> (6 December 2015).

⁵ Office of the Minister of Justice "Alcohol Reform Bill – Policy Amendments for Inclusion in the Departmental Report" (30 June 2011).

⁶ Law Commission *Alcohol in Our Lives: An Issues Paper on the Reform of New Zealand's Liquor Laws* (NZLC IP15, 2009) at [8.82]–[8.83].

11. In the Cabinet paper that followed the Law Commission Report, it was noted that:⁷

[a single area] restriction may go some way towards addressing submitter concerns about alcohol sales in supermarkets. *Reducing the overall availability and accessibility of alcohol lessens the supply and consumption of alcohol and consequent harm.* There is also increasing evidence of an association between exposure to alcohol and alcohol-related harm, with the greatest effect on youth.

12. This recognises that availability and accessibility are key factors in reducing harm, and that supermarkets are uniquely accessible, and visited by, a wide demographic. For example, supermarkets can provide a unique challenge to those who are in recovery from an addiction to alcohol. What is otherwise an everyday trip to get food essentials can prove particularly difficult for our Bridge clients in staying sober if alcohol is easily accessible and on display when they walk in and out of the store. The intention of the single area amendment was to address these concerns in addition to those relating to exposure to children and young people.

13. However, The Salvation Army submits that there are current concerns as to whether the single area requirements are effectively achieving their original purposes. Alcohol Health Watch in their submission have identified that regulatory agencies are experiencing difficulty in applying Sections 112-114 to limit the exposure of shoppers to displays and promotions of alcohol. It has also been highlighted that the Act currently requires that the single area is not located in the most direct route between the entrance of the premises and the main body of the premises, and not in the route between the main body of the premises and the general point of sale. *This however does not preclude a supermarket or grocery store from locating the single area as close to the entrance or exit as possible.*

14. The Salvation Army recommends that this issue is investigated as to whether the current section is operating fit for purpose. Useful analysis has been given by the High Court in the ruling of *Christchurch Medical Officer of Health v J & G Vaudrey Limited* [2015] NZHC 2749) with the Judge ruling that the District Licensing Committee or Authority should undertake an “evaluative exercise” in relation to considering single areas and whether the proposed area limits, so far as is reasonably practicable, the exposure of shoppers to displays and promotions of alcohol.

15. As such, it could be worthwhile for the Act to be amended to reflect the High Court decision. The Salvation Army submits that Section 117, which allows a licensing authority or committee to “issue any licence subject to any reasonable conditions not inconsistent with the Act” should explicitly state that this can be applied to the physical location of the single area.

Visual separation and health warnings for consumers

16. The Salvation Army further suggests that the regulation approach to the sale of cigarettes in supermarkets that has been implemented by Government in the past is considered in

⁷ Office of the Minister of Justice “Alcohol Reform Bill – Policy Amendments for Inclusion in the Departmental Report” (30 June 2011).

relation to the alcohol. It has been increasingly recognised that restricting availability and advertising is a major factor in addressing smoking-related harm, as is the case with the sale of alcohol.

17. The Salvation Army submits that one such comparable measure is that supermarkets should be required to display consumer information and warnings about the health risks of alcohol where alcohol is being sold, in addition to the age restriction signs that are already commonly displayed.
18. The single area restriction could also be strengthened in line with some Australian models, which requires a physical separation of space where alcohol is sold. A separate area that is more enclosed (such as refrigerated sections of bottle stores) better removes the visual trigger for those passing through the entrances and exits of a supermarket for an otherwise routine-trip to pick up food and other essentials. It also removes alcohol out of view for children and young people walking through the supermarket.

CONCLUSION

19. The Salvation Army supports this brief Bill in principle, but asks for greater clarification around the effective operation of the proposed and current sections in relation to the sale of alcohol in supermarkets. We also believe that this could be an opportunity for Parliament to begin an assessment of the effective operation of the 2012 Act in achieving its purpose of minimising the harm which is still so costly to our families and communities.