

The Hon. Bruce Billson  
C/- General Manager  
Small Business, Competition and Consumer Policy Division  
The Treasury  
Langton Crescent  
PARKES ACT 2600

25 May 2015

Dear Mr. Billson,

Thank you for the opportunity to comment on the *Competition Policy Review Final Report* (Final Report). I write on behalf of Cancer Council NSW to affirm our support of the submission prepared by the Foundation for Alcohol Research and Education to the Final Report.

Cancer Council NSW is the leading not-for-profit cancer charity in NSW. Our mission is to lead, empower and mobilise the community to beat cancer. Our key priorities include funding and conducting world-class research that reduces the impact of cancer, and encouraging people to lead healthy, cancer-smart lifestyles. Cancer Council NSW has a series of evidence-based recommendations aimed at preventing cancer at the population level, and one of these includes limiting alcohol consumption.

Alcohol consumption increases cancer risk, and is responsible for between 2,182 and 6,620 new cancer cases in Australia each year.<sup>1</sup> Cancer Council NSW supports evidence-based policy action to help reshape Australian social attitudes towards drinking and to reduce the burden of mortality and morbidity caused by alcohol consumption. Cancer Council NSW is a member of the NSW/ACT Alcohol Policy Alliance (NAAPA), and as such supports the adoption of three alcohol policy priorities: reducing alcohol availability; consistent alcohol pricing and reducing the promotion of alcohol; and increasing community engagement in alcohol solutions.

Alcohol is not an ordinary commodity due to the short and long-term health and social issues it causes, including chronic disease, mental health issues, accidents, physical abuse and trauma.<sup>2</sup> In fact, alcohol has been linked to more than 200 health conditions,<sup>2</sup> placing a great burden on the Australian health system. Therefore regulation that restricts access, availability, marketing and supply of alcohol at the expense of competition and deregulation are not only warranted but vital if we are to health and social consequences of both short-term high level and long-term moderate alcohol consumption. Competition issues should not take precedence while alcohol remains a public health priority.

Cancer Council NSW is pleased to see that the Final Report acknowledged the clear need and justification to regulate alcohol due to the harms that it causes. In particular the Panel said that: “any review of liquor licensing regulations against competition principles must take proper account of the public interest in minimising this potential harm.”

Harm minimisation should be the primary principle of alcohol regulation. Cancer Council NSW urges you to ensure this is the case in the development and implementation of the

revised national Competition Policy. The application of Competition Policy principles to alcohol must prioritise the minimisation of harm. Failing this, alcohol should be declared a special product exempt from Competition Policy. This reflects the harm that alcohol causes.

Cancer Council NSW is pleased that the Panel has recognised the importance of state and territory governments being able to set their own licensed premises controls in terms of planning, zoning or restricting trading hours. However, we are disappointed that the Panel did not recommend restrictions on the sale of alcohol in supermarkets.

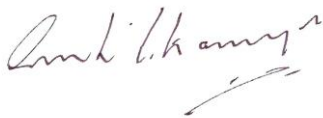
Increased availability of alcohol through supermarkets facilitates higher levels of home drinking,<sup>3</sup> and contributes to the social norms that have seen alcohol consumption embedded in Australia's culture. Recent Australian research shows that more alcohol is purchased in New Zealand where alcohol is available on supermarket shelves than in Australia where it is not.<sup>4</sup> Australian studies show that increased numbers of liquor outlets either through supermarkets or other off-licenses are associated with increased rates of chronic disease, risky drinking by young people, assaults and domestic violence.<sup>5,6</sup> Allowing alcohol to be stocked on supermarket shelves and fridges next to grocery items, including non-alcoholic beverages rather than in a separate but co-located store, normalises the consumption of alcohol, especially for children who may visit supermarkets with their parents. It does not make sense that the Government would undermine its own efforts to reduce the burden caused by harmful drinking by allowing increased alcohol availability through supermarkets.

An Australian study found that alcohol is often used as 'loss leaders', whereby products are sold at less than wholesale prices in an attempt to entice customers to the store to purchase other non-discounted items.<sup>7</sup> This is counter-productive to efforts to reduce harmful drinking. As the major supermarket chains already account for 60% of alcohol retail sales in Australia,<sup>8</sup> allowing them to sell alcohol in-store would result in less competition for smaller and independent liquor retailers, not more. Further, there is no evidence that consumers will be at a detriment if competition is restricted by not permitting alcohol sales at supermarkets.

Cancer Council NSW urges the Government to ensure that the availability of alcohol is not increased by allowing supermarkets to sell it.

Thank you for the opportunity to raise these important issues. Should you require any further information about the matters raised in this submission, please contact Clare Hughes, Nutrition Program Manager on (02) 9334 1462 or at [clareh@nswcc.org.au](mailto:clareh@nswcc.org.au).

Yours sincerely,



Jim L'Estrange  
Chief Executive Officer

## References

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