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14 May 2015

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

Dear Mr Billson,

Competition Policy Review

We thank you for the opportunity to provide comment on the Treasury's Competition Policy Review Final Report.

The Royal Australasian College of Surgeons is a strong advocate for evidence-based measures that will reduce alcohol-fuelled violence and related harms. The College has developed its recommendations on this issue by drawing on scientific evidence and the expertise of our Fellows in Australia and New Zealand, and other members of the medical profession. We believe the most effective measures to address alcohol related harm are through:

- Reduced trading hours.
- Reduced availability of alcohol through reduced outlet density.
- Application of a stepped volumetric tax on alcohol.

Alcohol is not an ordinary product, it is a drug that has a depressive effect on the central nervous system, is an addictive substance, is a known carcinogen, a known cause of birth defects, a contributor to more than 200 diseases and has a significant role in poor mental health,¹ family violence and child maltreatment.²

Previous rounds of the Competition Policy have resulted in unprecedented growth in the availability of alcohol, decreases in price³ and increases in alcohol harms. The report 'Alcohol's Burden of Disease' showed that from 2000 to 2010, alcohol-related deaths increased by 62%, and alcohol-related hospitalisations doubled, from 76,467 to 157,132.⁴ According to the Foundation for Alcohol Research and Education, each day, 15 people die and 430 are hospitalised due to alcohol. This makes reducing alcohol harms one of Australia's greatest preventive health challenges.

The College of Surgeons is pleased to see that the Competition Review Panel in its Final Report acknowledges the clear need and justification to regulate alcohol due to the harms that it causes. In particular the Panel noted that:

*"The risk of harm to individuals, families and communities from problem drinking and gambling is a clear justification for regulation" and that "...given the Panel's view that the risk of harm from liquor provides a clear justification for liquor regulation, any review of liquor licensing regulations against competition principles must take proper account of the public interest in minimising this potential harm."*⁵

Harm minimisation should be the primary principle of alcohol regulation and the revised national Competition Policy must reflect this.

Australian studies have shown that exposing young people to alcohol promotions is strongly associated with increased drinking patterns.⁶ The National Health and Medical Research Council recommends that parents of adolescents delay the age of drinking initiation as long as possible to protect the health and wellbeing of young Australians.⁷ For this reason the College is disappointed that the Competition Review Panel did not recommend restrictions on the sale of alcohol in supermarkets.

Young people are already exposed to high levels of alcohol promotions through advertising and social media. The major supermarket chains account for 60% of the retail sales of alcohol in Australia.⁸ Increasing physical and economic access to alcohol by deregulating liquor sales in supermarkets will lead to an increase in alcohol harms, and compromise Government efforts to reduce harm through alcohol regulation. We ask that further liberalisation of alcohol sales in supermarkets does not occur.

We thank you again for the opportunity to provide comment on the Competition Policy Review Final Report. Please do not hesitate to get in touch with our Advocacy Department if you need any further information on our position.

Yours sincerely,



MR GRAEME CAMPBELL FRACS
VICE PRESIDENT OF THE ROYAL AUSTRALASIAN COLLEGE OF SURGEONS

¹ World Health Organization (WHO). (2014). Global Status Report on Alcohol and Health. World Health Organization, Geneva.

http://www.who.int/substance_abuse/publications/global_alcohol_report/en/

² Laslett, AM., Mugavin, J., Jiang, H., Manton, E., Callinan, S., MacLean, S., and Room, R. (2015) The hidden harm: Alcohol's impact on children and families. Centre for Alcohol Policy Research, Foundation for Alcohol Research and Education. Canberra.

³ Marsden Jacob Associates. (2005). Identifying a framework for regulation in packaged liquor retailing. Report prepared for the National Competition Council as part of the NCC Occasional Series, Melbourne.

⁴ Gao, C., Ogeil, R., and Lloyd, B. (2014). Alcohol's burden of disease in Australia. Canberra: FARE and VicHealth in collaboration with Turning Point.

⁵ Australian Government Competition Policy Review (2015). Competition Policy Review: Final Report. Canberra: Commonwealth of Australia. Page 145

⁶ Jones, S. C. & Magee, C. A. (2011). Exposure to alcohol advertising and alcohol consumption among Australian adolescents. Alcohol and Alcoholism, 46 (5), 630-637. Available at: <http://ro.uow.edu.au/cgi/viewcontent.cgi?article=2848&context=hbspapers>

⁷ Australian Government National Health and Medical Research Council (2009) Australian Guidelines to reduce health risks from drinking alcohol. Available from: https://www.nhmrc.gov.au/files_nhmrc/publications/attachments/ds10-alcohol.pdf

⁸ Lin, R. (2014). IBISWorld Industry Report G4123: Liquor retailing in Australia. Melbourne: IBISWorld.