# Corporations vs communities in local alcohol policy

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### The David and Goliath battle playing out between councils that want to uphold community wishes and the alcohol industry that seeks to maintain profits.

The immense frustration that communities are expressing is palpable. New Zealand’s new liquor laws were meant to swing the pendulum back towards greater community control of alcohol availability, but this has been far from reality for many communities that continue to shoulder the burden of alcohol harm seven days a week.

This burden stems from the miserable failure of the 1990s experiment to liberalise alcohol regulation so that a mythical European-style moderate drinking culture could be created in Aotearoa New Zealand. This bourgeois fantasy led to alcohol availability increasing to such an extent that the number of on-licences (bars, pubs, night clubs, licensed restaurants and cafés) trebled in our country and the number of off-licences (bottle stores, supermarkets, grocery stores) doubled.

Much of this proliferation was unequally distributed, with bottle stores being concentrated in our most deprived communities, leading to price wars, longer trading hours and inequities in alcohol harm. The result was a huge burden being placed on our most vulnerable communities to fight relentlessly to address alcohol outlet proliferation in their neighbourhood, often with little support.

This situation was to be remedied in the overhaul of our liquor legislation in 2012. The Alcohol Reform Bill was introduced with the objective to “improve community input into local alcohol licensing decisions”. To reduce the burden that communities faced fighting each licence application, local alcohol decision-making was devolved to local government, with the new laws enabling each council to develop and adopt their own Local Alcohol Policy.

This new provision in our liquor laws appeared promising. Local Alcohol Policies could control 1) the number of licensed premises permitted across the district or in suburbs vulnerable to high levels of harm, 2) the location of new outlets (whether they could be granted close to schools, etc.), and 3) the opening and closing hours of premises.

Sounds good, right? In essence, these policies offered significant potential to right the wrongs of the past, while enabling councils to utilise evidence-based measures to address local concerns.

However, the reality has been a long, tortuous and uneven legal battle. In one corner has been the councils (and at times police and health authorities) seeking to uphold community wishes for greater control on alcohol availability. In the other corner has been the appellants with vested interests, especially the supermarket duopoly (the fourth and fifth biggest companies in New Zealand, by revenue) and bottle stores.

While some councils have opted to use ratepayer dollars to challenge the appellants in court, the majority have opted to seek a compromise with the alcohol industry out of the public eye. Of significant concern, some large councils (for example, Christchurch and Hamilton) have opted to walk away from the entire process after spending considerable funds to fight for their policy. Auckland Council’s policy is yet to be adopted, having now reached the High Court five years after the policy was initially released for public consultation.

Should we be surprised? Recent history would suggest not. Any evidence-based measure that reduces industry profits is heavily challenged. The Scottish Government spent five years fighting the Scotch Whisky Association all the way to the UK Supreme Court, so that they could take strong action on cheap alcohol (through minimum unit pricing). After spending more than 1000 days in debate, Ireland recently adopted new laws to address the key drivers of alcohol consumption, namely pricing, advertising and marketing. The most controversial element of the new laws appeared to be the alcohol and cancer warning labels to be placed on all alcohol products. Irish media reported that such intense industry lobbying on the new laws had not been seen since the days of banning smoking in public places.

Even the Yukon Territorial Government in Canada, with a population of 36,000, has not been immune to legal challenges. Having state-owned bottle stores, they opted to undertake a high-quality trial to examine the effectiveness of placing alcohol and cancer warning labels on the products that they sell. Four weeks into the trial, media reported that the cancer warning label trial had been discontinued, citing alleged threats of litigation by alcohol companies.

So what does this mean for our communities who are continuing to struggle without a strong local alcohol policy in place? To genuinely swing the pendulum back to greater community control, the law needs to change. Local councils need to have the powers to uphold community wishes without requiring huge resources to fight the commercial interests. Only by repealing the appeals provision in the Sale and Supply of Alcohol Act 2012 can people be placed ahead of profits.

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