

Media Release

**Rt Hon Sir Geoffrey Palmer SC
President
Law Commission**

Thursday 30 July 2009, midday

Sale of Liquor Project

The Law Commission releases today its Issues Paper on the Sale of Liquor project.

The stage has now arrived for the public to have its say.

“This report states the problems and offers some tentative solutions,” Sir Geoffrey Palmer said releasing the 279 page paper.

“New Zealand has some serious problems with the use of alcohol detailed in the paper. What do we want to do about them? That is what the next phase of this project is about.”

“There will be three months for public submissions. They close on the last day of October. It is very important that the public take the opportunity of expressing their point of view on what is a controversial and difficult area.”

“The Law Commission is not advocating a return to wowsersism. But the preliminary evidence suggests the time has come to review the policy settings to reduce the excesses and curb the harm. That view has wide support. It is supported by a range of highly credible groups, including judges, medical specialists and police.”

“Not everyone drinks in a manner that is harmful but the consequences of harmful drinking affect us all.”

“Alcohol is a contributory factor to a range of social harms. Some of these problems are very visible such as antisocial behaviour and aggression associated with intoxication in public places.”

“Alcohol’s association with other problems is less visible but still has potentially devastating affects on those involved – accidents, road fatalities, fires, drownings, suicides, alcohol dependency disorders and a range of health problems.”

“This report goes into considerable detail to outline the problems that are occurring as a result of excessive consumption of alcohol. The preliminary evidence laid out indicates that heavy drinking and drunkenness are generating the most acute harm.”

“There is also strong new evidence that young people face increased risks of harm, of both short term and longer term harm, from early and high volume drinking.”

“The effects of alcohol use on the level of criminal offending in the community is a key issue in this paper. So are the health effects of alcohol use.”

“But the solutions are much more difficult than defining the problem and it is on the solutions that we want to hear the voice of the public. We must achieve a balance between harm and consumer benefit flowing from the use of alcohol,” Sir Geoffrey concluded.

Among the options the Law Commission is putting forward for public consideration are:

- A complete new Sale of Liquor Act
- Measures aimed at curbing harmful drinking including options designed to reduce the availability of cheap alcohol products which tend to be favoured by price sensitive young and heavy drinkers
- Reducing excise tax on low alcohol products to encourage consumption over products with higher alcohol content.
- Reducing the hours within which alcohol can be purchased
- Introducing a split purchase age for alcohol allowing young people to drink on a licensed premise at 18 and to purchase from an off-licence at 20
- Expanding the criteria under which a licence can be declined
- Expanding the range of conditions that can be imposed on licensees

- Introducing graduated licensing fees to ensure low risk operators are not unfairly burdened.

The Commission is also concerned by the lack of assessment and treatment options for those with alcohol-related problems. This has also emerged as an issue in the Law Commission's project reviewing the Misuse of Drugs Act.

In a preliminary submission to the liquor review, District Court Judges estimated that up to 80 per cent of offenders have drug and alcohol problems but there are insufficient programmes to treat all of the offenders who need it.

Commissioner Val Sim, who is leading the drugs project, said treatment was one of a number of common themes between the two reviews.

"Alcohol, like illegal drugs, causes considerable harm. It is regulated differently from illegal drugs for historical, cultural and social reasons."

"But in both contexts the challenge is to find the right mix of strategies to reduce overall harm."

The Issues Paper on the Misuse of Drugs Act is to be released at the end of November.

The Law Commission has created an online consultation website – www.talklaw.co.nz - to generate public discussion on the issues.

"We want to encourage as many New Zealanders as possible, from all walks of life and especially people in their late teens, 20s and 30s, to learn more about the issues surrounding alcohol, to download information, participate in online forums, and make comments and submissions," said Sir Geoffrey.

Sir Geoffrey said the Law Commission would use all comments and submissions to help frame its final recommendations to the Government. That report is due in March 2010.

The Law Commission is an independent Crown Entity responsible for reviewing New Zealand's laws and providing law reform advice to the Government.

Please note: We request that all media make reference to the www.talklaw.co.nz website in all articles/items that they publish about the project.

Law Commission President Sir Geoffrey Palmer will be available for further comment on the Liquor Issues Paper until 5pm Saturday August 1. He will be overseas for the following two weeks. The Commission will then move into the public consultation phase of the project during which time it will not be commenting further on the contents of the report.

Contact:

Sir Geoffrey Palmer – 04 914 4815 or 021 557 782

Review of the Sale of Liquor Act 1989

Terms of reference

- (1) To examine and evaluate the current laws and policies relating to the sale, supply and consumption of liquor in New Zealand.
- (2) To consider and formulate for the consideration of Government and Parliament a revised policy framework covering the principles that should regulate the sale, supply and consumption of liquor in New Zealand having regard to present and future social conditions and needs.
- (3) To deal explicitly with a number of issues, including:
 - the proliferation of specific outlets and the effect this has on consumption;
 - how the licensing system should be structured and who should be responsible for which aspects of licensing decisions;
 - revising the licence renewal and fee framework to consider whether risk can be more appropriately managed and to ensure that the funding of the licensing and enforcement regime is adequate;
 - to ensure that unnecessary and disproportionate compliance costs are not imposed by the licensing system;
 - the age at which liquor can be purchased;
 - the responsibility of parents for supervising young members of their family who drink;
 - the influence of excise tax on alcohol and how pricing policies can minimise harm from alcohol consumption;
 - advertising of liquor and whether there should be restrictions on discounting alcohol or advertising discounts;
 - the relationship between the Sale of Liquor Act 1989, the Resource Management Act 1991 and the Local Government Act 2001;
 - the relationship between the Sale of Liquor Act 1989 and the liquor-related offences in the Summary Offences Act 1981;
 - the application of competition law to the sale of liquor;
 - the need to ensure the appropriate balance between harm and consumer benefit;
 - the health effects of alcohol use and the ways to ameliorate these adverse effects;

- the effects of alcohol use on the level of offending in the community and consideration of measures to minimise such offending; and
 - enforcement issues in relation to liquor, including penalties, bans, measures to control alcohol related disorder and to deal with intoxicated people, and methods for preventing the use of fake proof-of-age identification.
- (4) To prepare an issues paper for publication and take submissions on it, and to engage in extensive public consultation
- (5) To prepare a final report, including the proposed new policy framework and draft legislation, so that people can judge accurately the precise effects of what is proposed.