
Alcohol Education & Rehabilitation Foundation Submission to Consultation Paper:

*Expansion of the National Binge
Drinking Strategy*

Community Sponsorship Fund



Changing the way we drink

About the Alcohol Education & Rehabilitation Foundation

The Alcohol Education & Rehabilitation Foundation (AER Foundation) was established in 2001 by the Commonwealth Government to distribute funding for education, rehabilitation and prevention of alcohol and licit substance misuse.

Today, the AER Foundation is an independent, not-for-profit organisation that works with the community to address alcohol and inhalant misuse for a healthier and safer Australia. The AER Foundation endeavours to:

- Prevent alcohol and other licit substance abuse, including petrol sniffing, particularly among vulnerable population groups such as indigenous Australians and youth;
- Support evidence-based alcohol and other licit substance abuse, treatment, rehabilitation, research and prevention programs;
- Promote community education encouraging responsible consumption of alcohol and highlighting the dangers of licit substance abuse.

The AER Foundation's objective is carried out by a dedicated board of directors and a professional staff team. The board brings to the organisation an outstanding breadth of experience in academic research, treatment and rehabilitation, business management and community representation. Their combined knowledge, expertise and passion has enabled the AER Foundation to become a leading voice in alcohol and licit substance misuse issues both in Australia and internationally.

The AER Foundation has unique professional capabilities in the areas of policy development, research, community development and grants management. Since 2001, over 700 organisations from the community sector, government, police, researchers and the private sector have benefited from the AER Foundation's \$115 million grants program. One third of this funding has contributed to grass-roots programs and research addressing health and wellbeing issues faced by Aboriginal and Torres Strait Islander peoples. In addition, the AER Foundation has commissioned a range of organisations to undertake specific projects to address alcohol and licit substance misuse.

As a result of this work, the AER Foundation has made a significant contribution to the evidence base on alcohol and licit substances in Australia, and has established an extensive stakeholder network across the not-for-profit sector.

Summary of Recommendations

Recommendation 1

A proportion of the Community Sponsorship Fund disbursements should go to people in the community disproportionately affected by alcohol. These groups of people include young people, Aboriginal and Torres Strait Islander people, and people living in rural and remote communities.

Recommendation 2

To determine a definition of 'alcohol industry' for the purposes of eligibility requirements, the definition should be broad to ensure that sporting and cultural organisations are encouraged to apply for this funding.

In regards to co-sponsorship, no alcohol industry sponsorship is ideal. However, where it is prudent to consider co-sponsorship, the way in which 'alcohol industry' is defined should be dependent upon a risk-based approach used to determine whether a sponsored organisation can receive Community Sponsorship Fund disbursements concurrently.

Recommendation 3

Community Sponsorship Fund disbursements should be restricted to current or previous recipients of 'alcohol industry' funding.

Recommendation 4

All alcohol industry branding imagery must be removed from all organisation property, including uniforms, venues and sporting grounds.

Where clubs are allowed to co-sponsor with a member of the alcohol industry in accordance with the risk assessment criteria set out in question 2(A), sponsored organisations must agree to phase out all alcohol industry branding on organisation property by a specific date.

Recommendation 5

The following should be conditions contained in the funding agreement:

- All sponsored organisations that have a licence or obtain a licence during the tenure of their sponsorship funding, must adhere to Responsible Service of Alcohol (RSA) provisions and other requirements for the maintenance of their licence under State and Territory legislation.
- All sponsored organisations, regardless of whether they have a liquor licence, must agree to certain conditions pertaining to responsible alcohol consumption and safe drinking practices (set out in the above dot points).

All sponsored organisations should have the option to undertake an alcohol harm-minimisation education program to raise awareness about responsible alcohol consumption and to involve members of the organisation in developing an alcohol strategy for the organisation.

Recommendation 6

To achieve the objective of providing an alternative to alcohol industry funding of sporting and cultural activities, a strategy should be put in place for a long-term sponsorship fund. The AER Foundation recommends the use of taxes or additional levies collected on alcohol products to phase out alcohol industry sponsorship of sporting and cultural events at both the local and elite level.

Recommendation 7

Regulation of alcohol industry advertising must be legislated to ensure open, transparent and impartial interpretation and application of advertising codes. Meaningful sanctions must also be introduced to deter breaches of advertising codes.

The exemption under the Commercial Television Code of Practice which allows alcohol advertising during live sports broadcasts on weekends and public holidays should be removed.

Recommendation 8

The AER Foundation calls on the government to implement regulations to improve data collection of alcohol product sales and percentage of revenue spent on sponsorship investment. Alcohol companies should be called upon to make public data which extrapolates sponsorship investment data from broader marketing expenditure.

Recommendation 9

The effectiveness of the Community Sponsorship Fund in providing an alternative to alcohol industry funding of sports and cultural activities should be evaluated.

Introduction

The AER Foundation welcomes the opportunity to comment on the *Consultation Paper: Expansion of the National Binge Drinking Strategy, Community Sponsorship Fund* (the Consultation Paper).

The AER Foundation congratulates the Government on committing resources to the sponsorship fund and sees this as an important first step to addressing the link between alcohol and sport, as well as the link between alcohol and the sponsorship of cultural events.

Sponsorship of sporting and cultural events by alcohol companies is a form of marketing and provides effective opportunities to promote alcoholic products to a range of audiences.¹ The AER Foundation's particular concern regarding alcohol sponsorship and the associated issue of alcohol advertising is its influence on shaping cultural attitudes and drinking behaviours of children and young people.

Studies have shown that children relate alcohol brand imagery to alcohol products and associate alcohol consumption with sporting and social success.² Children often know the major alcohol sponsors of their favourite sporting team. Children have identified alcohol as a 'product preferred by males, young people, people who are humorous, and men who play sport'.³

Many children watch sport on television, particularly boys, and view it as a regular part of life.⁴ Advertising statistics during the one day cricket finals series in 2006 demonstrated that the frequency of alcohol advertising increases significantly during sporting broadcasts of events sponsored by alcohol companies.⁵ Increased alcohol advertising during television sporting broadcasts is supported by the Commercial Television Industry Code of Practice which allows alcohol advertising during live sporting events on weekends and public holidays. This loophole goes against stipulations in the Alcohol Beverages Advertising Code (ABAC) scheme which state that alcohol advertising can only be shown on television between 8.30pm and 5.00am.⁶ This means that children who watch televised sport are increasingly exposed to alcohol branding and imagery.

The impact of marketing on attitudes and beliefs about the consumption of alcohol is not just an Australian problem, but a growing issue in a number of countries. The World Health Organisation

¹ M. Stoneham and E. Howse, *Alcohol Promotion and Advertising During Live Sports Telecasts*, Public Health Advocacy Institute of Western Australia, (2009), available at:

<http://www.phaiwa.org.au/index.php/component/attachments/download/123>.

² S. Jones, L. Phillipson, L. Barrie, 'Most Men Drink... Especially Like When They Play Sports – Alcohol Advertising During Sporting Broadcasts and the Potential Impact on Child Audiences', *Journal of Public Affairs*, Vol. 10, (2010), p.59.

³ Ibid., pp.68, 72.

⁴ Ibid., p.68.

⁵ Ibid., pp.68, 70.

⁶ Ibid., pp.59, 61.

(WHO) has expressed serious concern that marketing messages are becoming increasingly transnational due to internet and satellite television coverage of sporting and cultural events.⁷

Prominent relationships between elite level sports events, such as the Formula One Grand Prix, Australian Open Tennis, the Melbourne Cup horse race, One Day Cricket Series, and the AFL Grand Final, and the consumption of alcohol at these sporting events due to big alcohol industry sponsorship agreements, 'undoubtedly affect the ways alcohol is consumed in more 'grass-roots' settings in this country'.⁸

Similarly, alcohol companies are prominent sponsors of cultural events that have large audiences of young people. These events include the 'Big Day Out' music festival which admits people as young as 15 years. In 2010, the Big Day Out signed a two-year sponsorship deal with the distributor of Jim Beam and Canadian Club spirits. Other alcohol sponsors of the festival in 2010 included Toohey's Extra Dry, Smirnoff, Strongbow and Jagermeister.⁹

Jim Beam has a website dedicated to supporting live music venues and festivals and its slogan is 'The Label Behind Live Music'.¹⁰ The website www.lblm.com features competitions for tickets, auctions for 'money-can't-buy' items and internship opportunities for young people wanting to be journalists or photographers. Further, Jim Beam also has a website specifically targeted at young people attending university, www.JimBeamOnCampus.com.au, which has been active since 2004 in supporting on-campus live music and sporting events with the help of Jim Beam campus ambassadors.¹¹

Each year the AER Foundation carries out nationwide community polling to determine how Australians feel about alcohol use and particular alcohol policies. When asked about alcohol sponsorship of sporting events, the following responses were received:

- The majority (57%) of Australians would like to see more done to reduce the influence of alcohol in sport.
- Just over half of all Australians (51%) were in favour of not permitting any alcohol advertising at events that would be visible when viewed on TV.
- People that indicated they were in favour of restricting alcohol advertising and promotion at sporting events felt this way because they were concerned that young people may think drinking

⁷ World Health Organisation, *Strategies to Reduce the Harmful Use of Alcohol: Draft Global Strategy*, (25 March 2010), pp.14-15, available at: http://apps.who.int/gb/ebwha/pdf_files/WHA63/A63_13-en.pdf

⁸ C. Duff, M. Scealy, B. Rowland, *The Culture and Context of Alcohol Use in Community Sporting Clubs in Australia: Research into 'Attitudes' and 'Behaviour'*, Executive Summary, Centre for Youth Drug Studies, Australian Drug Foundation, (2004), p.2.

⁹ M. Hawthorne, 'Big Day Out Festival Signs Big Liquor Sponsor', *The Age*, Online Newspaper, (January 21 2010), available at: <http://www.theage.com.au/national/big-day-out-festival-signs-big-liquor-sponsor-20100120-mls1.html>

¹⁰ See <http://www.thelblm.com/about> for further information.

¹¹ See <http://www.jimbeamoncampus.com.au/about.php> for further information.

is part of the game (79%) or that sporting personalities are not always good role models for safe alcohol use (59%).¹²

These responses indicate that there is growing support for increasing regulation on alcohol sponsorship of sporting events. The AER Foundation believes that the implementation of the Community Sponsorship Fund should be accompanied by the development of more stringent regulation of alcohol industry sponsorship of sporting and cultural events. This should include a move away from industry self-regulation of advertising towards legislation to reduce the exposure of alcohol branding imagery to children and young people, which is known to influence children's alcohol expectancies, drinking intentions and behaviours either currently or in the future.¹³

Structure of the Submission

This submission provides feedback on a select number of issues raised within the Consultation Paper, part 1, (H), and part 2. We have adopted the same numbering as the Consultation Paper for ease of reference.

¹² Galaxy Research: The 2010 survey was carried out by Galaxy between 15 January and 18 January 2010. It was a national survey (excluding NT) and was weighted by age, gender and location (based on ABS population estimates) to the national population. There were 1014 respondents aged 18 years and above. AER releases the information through media releases that are topic based throughout the year.

¹³ S. Jones, L. Phillipson, L. Barrie, 'Most Men Drink... Especially Like When They Play Sports – Alcohol Advertising During Sporting Broadcasts and the Potential Impact on Child Audiences', *Journal of Public Affairs*, Vol. 10, (2010), p.60.

Section 1: Information about the operational context of community sporting and cultural organisations, and the impact of these contexts on the appropriate size, duration and timing of grants.

(H) Should Community Sponsorship Fund disbursements be further targeted through allocated percentages to key demographics/areas, for example: between Indigenous and non-Indigenous expenditure, or rural/metropolitan?

The AER Foundation is of the opinion that the Community Sponsorship Fund should be open to all sporting or cultural organisations who either currently or have previously received sponsorship from the alcohol industry. However, to ensure that the Community Sponsorship Fund has a positive impact on people in the community who are disproportionately affected by alcohol, the Community Sponsorship Fund should set aside a proportion of funding to target these population groups. These groups of people include young people, Aboriginal and Torres Strait Islander people, and people living in rural and remote communities.

Young People

Young people who consume alcohol are more likely to engage in risky or antisocial behaviour, which can lead to injury or death.¹⁴ Between 1993 and 2001, 28% of all alcohol related injury deaths and one third of alcohol-related injury hospitalisations were for people aged 15-29 years.¹⁵ Alcohol misuse also results in 267 deaths annually among 15-24 year olds,¹⁶ with alcohol contributing to three of the leading causes of death among adolescents; unintentional injuries, homicide and suicide.¹⁷ The most common causes of alcohol-attributable deaths among young people are road injury, suicide, assault, pedestrian road injury and drowning.¹⁸

Aboriginal and Torres Strait Islander People

While Aboriginal and Torres Strait Islander people consume less alcohol than non-Indigenous people, the percentage of people that consume alcohol at harmful levels is higher. Aboriginal and Torres Strait Islander young people are 2.3 times more likely to die from an alcohol-related cause than non-Indigenous young people. An estimated 20% of Aboriginal and Torres Strait Islander males aged between 18 to 24 and 14% of Aboriginal and Torres Strait Islander females drink alcohol at levels

¹⁴ National Health and Medical Research Council, *Australian Guidelines to Reduce Health Risks from Drinking Alcohol*, Commonwealth of Australia, (2009), p.4.

¹⁵ *Ibid.*, p.59.

¹⁶ A. Roche et al. *Young People and Alcohol: The Role of Cultural Influences*, National Centre for Education and Training on Addiction, Adelaide, (2007), p.36.

¹⁷ National Health and Medical Research Council, *Australian Guidelines to Reduce Health Risks from Drinking Alcohol*, Commonwealth of Australia, (2009).

¹⁸ A. Roche et al. *Young People and Alcohol: The Role of Cultural Influences*, National Centre for Education and Training on Addiction, Adelaide, (2007), p.36.

dangerous to their health and wellbeing. In comparison, 16% and 12% of non-Indigenous Australians in the same age bracket consume alcohol at risky or harmful levels.¹⁹

People from Rural and Remote Communities

There should also be an emphasis on rural and remote communities, particularly given the often high level of importance placed on sport as a way of bringing the community together. Males living in inner-regional and other areas (both outer regional and remote) are 1.2 times and 1.4 times respectively, more likely to consume alcohol at risky or high-risk levels than their metropolitan peers.²⁰ For women, there are no clear differences in consumption between those living in regional and remote areas and major cities. In terms of young people living in regional, rural or remote areas, they are more likely to be physically abused by someone under the influence of alcohol than young people in major cities.²¹ According to the *Australian Alcohol Indicators Project*, young people living in regional, rural and remote areas were 1.7 times more likely to die from an alcohol-related cause than young people living in metropolitan areas.²² In Victoria young people under the age of 24 living in rural areas were more likely than young people in metropolitan areas to be involved in alcohol-related family problems.²³

Recommendation 1

A proportion of the Community Sponsorship Fund disbursements should go to people in the community disproportionately affected by alcohol. These groups of people include young people, Aboriginal and Torres Strait Islander people, and people living in rural and remote communities.

¹⁹ Ibid., p.59.

²⁰ Australian Institute of Health and Welfare, 'Rural, Regional and Remote Health: Indicators of Health Status and Determinants of Health', *Rural Health Series*, No.9, (March 2008), p.97. Available at: <http://www.aihw.gov.au/publications/phe/rrrh-ihsdh/rrrh-ihsdh-c00.pdf>

²¹ A. Roche et al. *Young People and Alcohol: The Role of Cultural Influences*, National Centre for Education and Training on Addiction, Adelaide, (2007), p.59.

²² Ibid.

²³ Ibid., p.60.

Section 2: Suggestions as to the conditions that funded organisations would need to accept to receive funds from the Community Sponsorship Fund.

A) For the purposes of the eligibility criteria for the Community Sponsorship Fund, should the definition of “alcohol industry” include community-based licensee sponsorships and “in-kind” sponsorship arrangements?

A definition of alcohol industry is required for the sponsorship fund for the following reasons:

- To determine what constitutes ‘alcohol industry’ funding for eligibility requirements, if organisations for eligibility reasons are required to either currently be receiving alcohol industry sponsorship or to have received it in the past; and
- To determine whether organisations receiving ‘alcohol industry’ co-sponsorship will also be able to receive community sponsorship funds at the same time.

In relation to the eligibility of the fund, the definition of ‘alcohol industry’ should be broad to ensure that sporting and cultural organisations are generally encouraged to apply for this funding. The definition of ‘alcohol industry’ for this purpose would include large alcohol companies such as Diageo and Fosters and corporate partners linked to the alcohol industry, such as Coca Cola, local pubs and bars, supermarkets, other retailers of alcohol and community-based licensees including sporting and community clubs.

When referring to co-sponsorship, in principle, the AER Foundation contends that the sponsored organisations should not be able to receive community sponsorship funds concurrently with alcohol industry funding. However, we also understand that sponsorship agreements are diverse, including in-kind agreements to provide sporting facilities or event locations.

To ensure that sporting and cultural organisations are encouraged to apply for funding, the AER Foundation calls on the Department to adopt a risk-based approach when determining which organisations may continue their funding agreements with members of the alcohol industry. This will ensure that the objectives of the Community Sponsorship Fund are not undermined by inconsistent brands or messaging used by co-sponsors. A risk-based approach acknowledges that there are varying levels of risk attached to ‘alcohol industry’ sponsors depending upon their profile, distribution and marketing practices. For example, local community-based licensees may not be nearly as ‘risky’ as much larger alcohol companies that have a high profile and can afford to run significant marketing campaigns and distribute their products widely.

An example of a risk-based approach to co-sponsorship is that adopted by *Healthway*, the West Australian Health Promotion Foundation. Among other activities, *Healthway* provides sponsorship for community-based arts and cultural activities, sports, racing and other active recreation activities in the community. When organisations are applying for sponsorship, all co-sponsors must be listed

and further necessary information given regarding sponsorship profile, support and activation strategies. The *Healthway* 'Sponsorship Risk Matrix' is then applied.²⁴ This risk-management tool looks at five key variables to assess whether an organisation's sponsorship agreement with another organisation will jeopardise the objectives of the *Healthway* sponsorship program, the emphasis being on healthy lifestyles. The criteria include:

- The profile of the brand: This includes public awareness of the brand. The higher the profile, the higher the risk. The core values of the brand are also considered. For example, a company whose core business is to supply discount alcohol is considered much higher risk than a company who focuses on selling prestigious quality wine and does not encourage high consumption or bulk purchases.
- Marketing and distribution practices: Do the brand's marketing practices target youth or other vulnerable sections of the population?
- The profile of the sponsorship/sponsored organisation: Brands that provide sponsorship to high profile clubs and events that receive widespread media coverage are considered much higher risk as co-sponsors.
- The nutrient profile of the brand: This includes alcohol content of the brand and other products the brand sells in addition to the product being advertised or marketed at the organisation or event in question.
- Relevance to the context: This variable considers the audience of the branding. For example, advertising through boundary signage at a large sporting event where all age groups will be present is much higher risk than sponsorship of an over-18s awards night.²⁵

If the co-sponsorship is deemed to be 'low risk' and the organisation is granted sponsorship, certain conditions are applied to the funding agreement as a means of pursuing *Healthway* sponsorship objectives. For example, where sponsorship is designated for promoting healthy living messages, entry into a co-sponsorship agreement is dependent upon the sponsored organisation giving an undertaking to phase out their arrangements with the co-sponsor over a specific transition period. If the sponsorship category is 'healthy participation' then the sponsored organisation must give assurances that the sponsored event or activity is quarantined from unhealthy brands or messages.²⁶

A similar set of conditions should be imposed on co-sponsorship agreements under the Community Sponsorship Fund which require organisations to sign undertakings to phase out all agreements with co-sponsors over a stipulated time period and to not enter into any future agreements with the alcohol industry; remove all alcohol industry branding and logos from uniforms and premises; to

²⁴ *Healthway Co-Sponsorship Policy Guidelines*, available at:
<http://www.healthway.wa.gov.au/default.aspx?MenuID=711>

²⁵ *Healthway Sponsorship Risk Matrix*, available at:
<http://www.healthway.wa.gov.au/default.aspx?MenuID=711>

²⁶ *Healthway Sponsorship Application Form and Guidelines for \$5,000 to \$50,000*, pg.5, available at:
<http://www.healthway.wa.gov.au/default.aspx?MenuID=729>

implement strategies to educate and promote safe and responsible drinking; and to adhere to responsible service of alcohol laws in cases where the organisation holds a liquor licence.

Alternatively, if the co-sponsorship is deemed 'high risk' to the objectives of the Community Sponsorship Fund and thus disallowed in accordance with the risk-assessment criteria stipulated above, the sponsored organisation must agree to cease their current sponsorship arrangements with the alcohol industry by an agreed date prior to receiving Community Sponsorship Fund disbursements and must also make an undertaking to not enter into any further agreements with the alcohol industry.

Recommendation 2

To determine a definition of 'alcohol industry' for the purposes of eligibility requirements, the definition should be broad to ensure that sporting and cultural organisations are encouraged to apply for this funding.

In regards to co-sponsorship, no alcohol industry sponsorship is ideal. However, where it is prudent to consider co-sponsorship, the way in which 'alcohol industry' is defined should be dependent upon a risk-based approach used to determine whether a sponsored organisation can receive Community Sponsorship Fund disbursements concurrently.

B) Should Community Sponsorship Fund disbursements be restricted to organisations that are current or previous recipients of “alcohol industry” funding?

The AER Foundation contends that Community Sponsorship Fund disbursements should be restricted to organisations that are current or previous recipients of ‘alcohol industry’ funding to address the underlying aim of the Community Sponsorship Fund which is to provide an alternative to alcohol sponsorship.

It is important that the Community Sponsorship Fund focuses its resources on organisations that are current or previous recipients of alcohol industry sponsorship if it is to address objective two of the Community Sponsorship Fund, which is to remove the links between alcohol and sports and cultural events which ‘tend to normalise a strong association between alcohol consumption and these activities’. Given that the Community Sponsorship Fund is also focused on the objective of ‘reducing exposure of young people and children to alcohol imagery and branding’ and to support ‘community-based organisations to provide alcohol-free environments for minors’, priority must be given to those clubs or organisations that receive funding from the alcohol industry and where sponsorship branding is particularly visible to young people whether they are participants, spectators or audiences.

Recommendation 3

Community Sponsorship Fund disbursements should be restricted to current or previous recipients of ‘alcohol industry’ funding.

C) Should organisations that receive “alcohol industry” sponsorship be required to remove all alcohol branding imagery e.g. from uniforms, venues?

The AER Foundation contends that in order to achieve the objective raised in the Consultation Paper of reducing ‘exposure of young people and children to alcohol imagery and branding’, organisations that have previously or continue to receive alcohol industry sponsorship must remove all signage and branding on uniforms, venues and club property. In instances where co-sponsorship is allowed in accordance with the criteria and conditions set out in the answer to question 2(A), sponsored organisations must agree to phase-out all alcohol branding imagery by a specific date.

Particularly, tight restrictions on the display of branding imagery must be in place when children or young people are participants or part of the audience. Branding of alcohol products and the associated imagery are known to make an impression on young people. For example, children are able to make a direct association between the Bundaberg Rum mascot, ‘Bundy Bear’ and alcohol. Children find advertisements involving the ‘Bundy Bear’ particularly appealing because they are humorous and use a mascot.²⁷

The branding of official merchandise is a particular concern because it means that young sports fans are continually exposed to promotion.²⁸ For example, children who wear official Cricket Australia shirts do so with a Victoria Bitter logo attached.²⁹ The impact of ownership of alcohol-branded merchandise by young people on their attitudes to drinking alcohol was recently highlighted by a 2009 study in the United States of America. The study found that for those that had not drunk alcohol before, ownership of such merchandise ‘increased susceptibility and initiation to drinking and binge drinking’.³⁰

Recommendation 4

All alcohol industry branding imagery must be removed from all organisation property, including uniforms, venues and sporting grounds.

Where clubs are allowed to co-sponsor with a member of the alcohol industry in accordance with the risk assessment criteria set out in question 2(A) sponsored organisations must agree to phase out all alcohol industry branding on organisation property by a specific date.

²⁷ S. Jones, L. Phillipson, L. Barrie, ‘Most Men Drink... Especially Like When They Play Sports – Alcohol Advertising During Sporting Broadcasts and the Potential Impact on Child Audiences’, *Journal of Public Affairs*, Vol. 10, (2010), pp.68-9.

²⁸ World Health Organisation, *WHO Expert Committee On Problems Related to Alcohol Consumption*, Second Report, WHO Technical Report Series, No. 944, Geneva, Switzerland, (2007), pp.29-30.

²⁹ G. Munro and J. De Wever, ‘Culture Clash: Alcohol Marketing and Public Health Aspirations’, *Drug and Alcohol Review*, Vol. 27, (March 2008), p.209.

³⁰ National Preventative Health Taskforce, *Australia: The Healthiest Country by 2020 – National Preventative Health Strategy – The Roadmap for Action*, Commonwealth of Australia, Canberra, (2009), p.249.

D) For organisations that either hold or will obtain a liquor licence concurrently with funding from the Community Sponsorship Fund, what undertakings or requirements should the Department seek to ensure alcohol is served in a responsible manner?

The AER Foundation is of the view that organisations that possess a liquor licence or wish to apply for a liquor licence may do so whilst receiving concurrent funding from the Community Sponsorship Fund. However, in order to achieve the objective set out in the Consultation Paper of reducing 'risky consumption of alcohol through appropriate Responsible Service of Alcohol (RSA) provisions at sporting and cultural events', clubs must adhere to responsible service of alcohol provisions under the various State and Territory liquor licensing legislation. This must include responsible service of alcohol training and certification.

We recommend that the sponsorship funding agreement is drafted in such a way that where organisations are found guilty of non-compliance with responsible service of alcohol provisions or other requirements for the maintenance of a valid liquor licence, this is deemed a fundamental breach of the funding agreement and grounds for termination.

RSA is not just about complying with legal obligations, such as the requirement that alcohol must not be served to intoxicated patrons or to people under the legal drinking age. It is also about changing the underlying culture of heavy drinking that exists in many sporting clubs in order to break down the links between sport and alcohol which have become increasingly normalised, largely due to alcohol industry funding of elite sport.

For this reason, we recommend that the terms of the funding agreement include a number of other 'conditions of sponsorship' designed to encourage responsible consumption of alcohol and safe drinking practices, in addition to RSA legal requirements. These conditions should apply to all sponsored organisations, not just those that hold a liquor licence, although some conditions will be more relevant to organisations that hold a liquor licence.

Conditions of Sponsorship

To encourage a safe drinking environment the sponsored organisation must agree to the following conditions:

- Provision of free water;
- Increase food service, particularly when alcohol is consumed;
- No alcohol raffle prizes;
- No alcohol discounting practices;
- No 'in-kind' sponsorship agreements that involve provision of free or discounted drinks after the game or at an event; and
- Cheap non-alcoholic beverages, including juices and soft drinks.

The AER Foundation believes that sponsored organisations should also be encouraged to develop an alcohol policy relevant to the needs of their specific club.³¹

Finally, the AER Foundation recommends that additional funds be made available to implement an alcohol harm-minimisation education program for all sponsored organisations. The program should involve participants in decision-making about how the organisation uses and promotes alcohol consumption and developing an 'alcohol strategy' for their organisation. This education program should also encourage discussion about ways to raise club revenue that do not involve alcohol sales.³² Again, this education program should not be limited to those clubs who have a licence or obtain a licence during their funding tenure.

An example of a community education program like this is the *Off Field Alcohol Awareness Program* which was designed to support the *Good Sports Program* and delivered as a joint initiative in 2009 between Bendigo Community Health Services, Victoria Police, City of Greater Bendigo and Bendigo Safe Community Forum, funded by the AER Foundation.³³ Many of the 'conditions of sponsorship' listed above came from ideas voiced from sports club participants during these workshops.

Recommendation 5

The following should be conditions contained in the funding agreement:

- All sponsored organisations that have a licence or obtain a licence during the tenure of their sponsorship funding, must adhere to responsible service of alcohol provisions and other requirements for the maintenance of their licence under State and Territory legislation.
- All sponsored organisations, regardless of whether they have a liquor licence, must agree to certain conditions pertaining to responsible alcohol consumption and safe drinking practices (set out in the above dot points).
- All sponsored organisations should have the option to undertake an alcohol harm-minimisation education program to raise awareness about responsible alcohol consumption and to involve members of the organisation in developing an alcohol strategy for the organisation.

³¹ *Developing an Alcohol Policy for a Sporting Club – Fact Sheet*, Drug Info Clearinghouse: accessed at http://www.druginfo.adf.org.au/downloads/fact_sheets/FS_8.6_policy.pdf

³² *Sponsorship and Fundraising: Alternatives to Alcohol – Fact Sheet*, Drug Info Clearinghouse: accessed at http://www.druginfo.adf.org.au/downloads/fact_sheets/FS_8.8_fundraising.pdf

³³ *Off Field Alcohol Awareness Program*, AER Foundation Funded Project Report, (2009).

E) Any other issues?

Ongoing Support for the Sponsorship Fund and Phasing Out of Alcohol Sponsorship

The objectives of the Community Sponsorship Fund will only be realised by providing longer-term solutions to tackling binge drinking in Australia. The AER Foundation supports an ongoing sponsorship fund that continues to provide an alternative to alcohol industry funding after the proposed four-year term of the Community Sponsorship Fund. It is important to ensure that sports and cultural organisations do not revert back to alcohol industry funding once the Community Sponsorship Fund expires.

In order to achieve the objectives outlined in the Consultation Paper, it is crucial that the Community Sponsorship Fund goes beyond providing financial resources in the immediate term. As discussed in question 2(D) the Community Sponsorship Fund should set aside resources for community education campaigns to promote safe drinking practices in sporting clubs and during cultural activities.

The long-term goal must be to phase out alcohol industry sponsorship in sport and cultural events where exposure to children and young people is high. The phasing out of tobacco industry sponsorship through a 5% state tax on all Tobacco products is an example of how ongoing Government support assisted with introducing regulations to protect children and young people from prolific marketing practices.³⁴

A sustainable solution would be to use revenue collected from a tax or additional levy on alcohol products to fund a longer-term sponsorship fund. This should include sponsorship of elite sport so that the objectives of the Community Sponsorship Fund can be fully realised, in particular to address the normalisation of alcohol consumption as part of Australian culture, whether it be during sporting or cultural activities. It is alcohol sponsorship of elite sport that perpetuates the nexus between alcohol and sport. Elite athletes have a strong influence on attitudes towards alcohol consumption as they are often considered role models by young people who see them in alcohol commercials and wearing branded merchandise during televised sport.³⁵

A good illustration of how a long-term sponsorship fund would be set up is the Victorian Health Promotion Foundation, *VicHealth*, which was set up under the *Tobacco Act 1987* to use government-collected tobacco taxes to buy out tobacco company sponsorship of the arts and sports. Tobacco sponsorship was soon replaced by health promotion campaigns such as Quit and Heart Health. *VicHealth* is still required to direct 30% of its annual funding to sporting bodies.³⁶

³⁴ S. Chapman, M. Wakefield, 'Tobacco Control Advocacy in Australia: Reflections on 30 Years of Progress', *Health Education & Behaviour*, Vol. 28 (3), (June 2001), p.283.

³⁵ S. Jones, L. Phillipson, L. Barrie, 'Most Men Drink... Especially Like When They Play Sports – Alcohol Advertising During Sporting Broadcasts and the Potential Impact on Child Audiences', *Journal of Public Affairs*, Vol. 10, (2010), p.60.

³⁶ *The Story of VicHealth: A World First in Health Promotion*, Victorian Health Promotion Foundation, Melbourne, (2005), available at: http://www.vichealth.vic.gov.au/~media/About%20Us/Story%20of%20Vichealth/Attachments/History_Book_Full_Version.ashx

Recommendation 6

To achieve the objective of providing an alternative to alcohol industry funding of sporting and cultural activities, a strategy should be put in place for a long-term sponsorship fund. The AER Foundation recommends the use of taxes or additional levies collected on alcohol products to phase out alcohol industry sponsorship of sporting and cultural events at both the local and elite level.

Regulatory Reform

Until such a time that alcohol industry funding of sporting and cultural events is banned, attention must be given to regulatory reform. Alcohol industry self-regulation of advertising through voluntary codes has proven to be inadequate and ineffective in reducing exposure of alcohol advertising to children and young people.

The Alcohol Beverages Advertising Code (ABAC) scheme has substantial limitations that contribute to its ineffectiveness in regulating alcohol advertising, including that the code was developed for advertisements on television, radio, print media and billboards, but does not appropriately address new media, including social networking websites such as *Facebook* and mobile phone content. In 2003, ABAC was extended to include internet advertising and, of relevance to this paper, to include sponsorship of events. The ABAC scheme states that alcohol beverage companies must not 'seek to promote their products at events which are designed to clearly target people under the legal drinking age'.³⁷

A particular loophole exists in the televising of sport where alcohol companies are major sponsors and alcohol branding imagery is highly visible on signage at sporting grounds. Sporting events are often televised before 8.30pm, during time slots where ABAC dictates that children must not be exposed to alcohol advertising. This is particularly problematic during the school summer holidays when both cricket and tennis are televised throughout the week and during the day, exposing young viewers to alcohol advertising signage at the venue.³⁸ In addition, the Commercial Television Code of Practice contradicts the aims of ABAC as it allows alcohol advertising during live broadcasts of sporting events on weekends and public holidays, an opportunity of which alcohol sponsors make use.

More needs to be done to introduce an effective system which achieves the objectives of reducing the exposure of young people and children to alcohol imagery and branding. Legislation is by far the most effective mechanism to introduce meaningful sanctions for breaches of the Code. Independent

³⁷ The ABAC Scheme is available at:

<http://www.abac.org.au/uploads/File/ABAC%20Code%20at%206%20July%202010.pdf>

³⁸ G. Munro and J. De Wever, 'Culture Clash: Alcohol Marketing and Public Health Aspirations', *Drug and Alcohol Review*, Vol. 27, (March 2008), p.209.

regulation would also ensure a much more open, transparent and impartial interpretation and application of the Code.

Recommendation 7

Regulation of alcohol industry advertising must be legislated to ensure open, transparent and impartial interpretation and application of advertising codes. Meaningful sanctions must also be introduced to deter breaches of advertising codes.

The exemption under the Commercial Television Code of Practice which allows alcohol advertising during live sports broadcasts on weekends and public holidays should be removed.

Collection of Alcohol Independent Sponsorship Data

In 2007 it was estimated that the total alcohol advertising expenditure by alcohol companies in Australia amounted to \$128 million. This primarily relates to advertising of alcoholic products and does not include the significant marketing investment placed in sponsorship of sporting and cultural events, particularly by large alcohol companies.³⁹

An example of advertising and marketing expenditure which includes significant investment in sponsorship can be provided through data from the United States of America which includes ‘unmeasured advertising, such as sponsorships, point-of-sale promotions, branded materials and special events’, indicates that full advertising expenditure including sponsorship investment is likely to be 2 to 3 times the estimated \$128 million.⁴⁰

In order to provide a clearer indication of alcohol industry expenditure on marketing and promotion, the AER Foundation calls on the government to implement regulations to improve data collection and legislate the alcohol industry to collect and make public their sponsorship investment data. This would increase the accountability of the alcohol industry and their advertising and promotion practices and, in particular, the extent to which they are targeting youth through sponsoring sporting and cultural organisations, festivals and events.

Likewise, sporting and cultural organisations are not currently required to publically state their sources of funding and amounts of sponsorship funding received. This information would further help to create openness and transparency about the level of influence the alcohol industry has on

³⁹ National Preventative Health Taskforce Alcohol Working Group, *Australia: The Healthiest Country by 2020 – Technical Report 3 – Preventing Alcohol-Related Harm in Australia: A Window of Opportunity Including Addendum for October 2008 to June 2009*, Commonwealth of Australia, Canberra, (2009), p.32.

⁴⁰ A. Roche et al. *Young People and Alcohol: The Role of Cultural Influences*, National Centre for Education and Training on Addiction, Adelaide, (2007), p.139.

these community organisations, whether it be through large funding grants or in-kind sponsorship which may not be formalised through a contract.

Recommendation 8

The AER Foundation calls on the government to implement regulations to improve data collection of alcohol product sales and percentage of revenue spent on sponsorship investment. Alcohol companies should be called upon to make public data which extrapolates sponsorship investment data from broader marketing expenditure.

Evaluation of the Effectiveness of the Sponsorship Fund

The AER Foundation calls on the Department of Health and Ageing to allocate some of the \$25 million in funding to an evaluation of the effectiveness of the Community Sponsorship Fund in achieving the said objectives to promote safe and responsible consumption of alcohol, reduce exposure of young people to alcohol branding, and breaking down the insidious link between alcohol and sport and cultural activities.

Recommendation 9

The effectiveness of the Community Sponsorship Fund in providing an alternative to alcohol industry funding of sports and cultural activities should be evaluated.

Contact Information

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