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### **Use of Alcohol: Whatever Happened to Individual Responsibility?**

The Law Commission is not trying to bring about some return to 'wowsers', it said in its recent report on alcohol.

As an Australian commentator noted, it is a tribute to the power of the word that people are desperate to assert that they are not wowsers.

He added: "For a country that is apparently entirely absent of wowsers, we sure spend a lot of time discussing how best to stop each other from drinking, gambling or browsing the wrong websites."

Taxpayer-funded public health lobbies clamour for more regulation of how we live our lives.

An anti-alcohol tone pervades the Law Commission's report.

Earlier this year its president, Sir Geoffrey Palmer, stated that the minimisation of harm "has to be the prime object of any new law."

I pointed out that this is not a valid public policy goal. It would justify prohibition were prohibition to be effective.

Yet the report states that the review's objectives are "to identify legislative measures that will successfully reduce the harm associated with the consumption of alcohol."

Little in the report addresses ways of increasing the benefits to consumers of responsible use of alcohol, which should be the main goal of public policy. These are approximated by the significant amounts (\$4-5 billion) New Zealanders spend each year on alcohol.

Even economist Brian Easton states in the report that "The Sale of Liquor Act [1989] was one of the most successful social reforms of its times, vastly

improving access to liquor for moderate drinkers, transforming and enlivening inner cities with a plethora of small bars and restaurants.

“There is no evidence that harm rose – indeed the downward trend of absolute consumption per adult continued until 1998.”

Consider two obvious reforms that would benefit consumers.

Many countries allow supermarket and grocery stores to sell spirits as well as beer and wine, benefiting consumers in terms of cost and convenience.

The Law Commission should have assessed these measurable benefits and compared them with any social costs (which seem likely to be small, if they exist at all). Instead it dismisses the idea without analysis.

A second issue concerns licensing trusts. The report acknowledges these may disadvantage consumers and create unfair commercial advantages yet defends their status on the grounds that they return profits to local communities.

By this logic we should have monopoly licensing trusts to supply fish and chips so that they can make similar distributions!

The anti-consumer bias of the report extends to contemplating minimum prices for liquor.

The Law Commission clearly lacks the expertise to handle economic issues.

It quotes the findings of the discredited BERL report on the social costs of alcohol and the critique by academic economists without making any attempt to evaluate their competing claims.

It refers to the 2001 McLeod Tax Review which found that “the levels of alcohol excise that could be justified on externality grounds are likely to be well below those currently applied in New Zealand” but fails to engage with that review’s analysis and recommends higher excise taxes.

In doing so, the Law Commission ignores robust evidence that such tax increases would disproportionately harm moderate drinkers (because they respond to higher prices more than heavy drinkers) and relies instead on a shoddy WHO report.

A purported draft regulatory impact statement in the report is no such thing. It makes no attempt to establish that each of its recommendations would yield net social benefits.

How can the public sensibly respond to the long laundry list of policy options without any analysis to guide them?

It is ironic that Sir Geoffrey, who has inveighed against excessive law-making, primarily urges more regulation of alcohol.

There is little consideration in the report of whether existing laws are being properly enforced, or ways of improving enforcement.

Little attention is given to social sanctions, such as asking universities to crack down on abusive behaviour by students or extending the practice of publishing the names of people convicted of drink driving offences to other serious alcohol offences.

As I predicted in an earlier article, Sir Geoffrey, one of the architects of ACC, could not bring himself to consider making self-inflicted alcohol injuries ineligible for ACC, a measure advocated by Dr Paul Quigley of Wellington Hospital.

More generally, the report misses the point that the whole emphasis in the debate should be on the responsibility of drinkers, not suppliers. We should insist that people take responsibility for their own actions, and interventions should be targeted directly at abuse.

The report points in the wrong direction by invoking a multitude of 'gummint knows best' responses.

As the *New Zealand Herald* said in an editorial, "Little would be gained by raising the age, restricting trading hours or otherwise reducing access to

liquor. We have been there and in many ways drinking habits were worse. Let's not go back.”

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