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Draft Local Alcohol Policy (LAP) – Wellington City Council  
Deputation by New Zealand Retailers Association  
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## Introduction

We are grateful for the opportunity to present the views of the New Zealand Retailers Association on the Local Alcohol Policy development for Wellington City. We have engaged with the Council and Council Officers throughout the process to date including the discussion with some members of Council last week. During this discussion a number of issues arose that we would like to elaborate on today.

Before moving on to these issues, however, there are a couple of points that are worth making.

Our comments relate to the off-licence sector as these are the people we represent. Our membership includes specialty liquor outlets, supermarkets, grocery stores, and specialist food stores. Some of these people will also be presenting today in respect of their own specific businesses. It is really important to remember that all of these businesses are part of the community. When we talk about “community” we are inclined to think about citizens but “community” goes well beyond that. The retail community is one of the biggest employers in the region, it invests vast amounts in retail premises, and it serves the needs of each and every person living in the area. We are the only part of the community that interacts with every citizen at least every week.

We would like to congratulate the Council and Council Officers for the thorough way in which they have addressed the issues. Much research has been produced by a variety of parties in support of various points of view – some has informed the debate while other material has been lacking in statistical reliability. The use of “unweighted research” is always dangerous particularly when the sample bias “suits the argument”. Simply stating that the results are “unweighted” does not add to the reliability (e.g. one piece of work did not include any respondents over 65 and yet these people represent over 9% of the Wellington population and nearly 11% of those of “drinking age”). In presenting our views today we will try and not confuse the issue with extensive use of numbers.

Our key objective in presenting to you today is to highlight to you the importance of the Council supporting the off-licence hours of operation of 7.00am to 11.00pm and to demonstrate that the other two options being considered achieve very little in relation to harm minimization.

## The Key Off-Licence Issues

- 1) It is really important that we keep the discussion in perspective. The policy development will impact on all ages – this is not just policy development for the

## Tabled Information - Reference 170/13P(d)

younger age groups. It is also important to note that in spite of the very significant increase in outlet numbers licensed to sell alcohol over the last 20 years, the per caput consumption of alcohol on an equivalised basis has not changed to any great extent. This does not mean that we don't have problem drinkers but we do need to keep things in perspective. The vast majority of the population manage their consumption of alcohol in an acceptable way whether it be a glass or two of wine at home over dinner, a pre-dinner drink, a bottle of wine at a restaurant, or a family celebration - in the majority of consumption occasions the majority of the population behave appropriately.

- 2) At the discussion last week the point was made by one presenter that 75% of alcohol sales were through off-licence and only 25% through on-licence. This evoked a response that if this was the case then "we need to focus on the off-licence sector". Can we just stop and think about this for a moment as it is a really important issue. The whole purpose of the change in the legislation is to look at ways of reducing harm caused by excessive alcohol consumption. The key word here is "consumption". Everything being discussed here today is about "purchasing" and this is where the key difference lies between the on and off licence sectors. If we think about it, the nature of the on-licence sector is that the alcohol purchased is for immediate consumption whereas the vast majority of the off-licence purchasing is for delayed consumption. Some times this delay might be a few hours, it might be a few weeks or it might be, in some cases, a few years. (How many of us here today have that special bottle of wine that is sitting at the back of the cupboard for that special occasion?)

Of course, off-licence sales are going to be greater – a case of wine at a competitive price isn't a logical lead in to excessive drinking – it is all about changes in "home stocks". We must stop confusing consumption and purchasing – by taking advantage of special offers I can buy ahead of consumption and save. It is the same argument with the bottle of gin I buy – I am not going to sit down a drink it in a single sitting – it is once again buying ahead of consumption.

- 3) There is a similar logic that needs to be applied to the term "pre-loading". This is a construct of the on-licence sector to suggest that having a drink before going out is evil and leads to poor behaviour. Can I ask how many of you have been going out for dinner or to a show and met up at either your place or a friend's place for a drink before-hand?

Now I am not suggesting for a moment that everyone is as well behaved as everyone here as there are some individuals who certainly over-indulge before going out. These are the genuine pre-loaders. These are the people that we should focus on. Is their problem a consumption problem or a purchasing behaviour problem?

If you are planning on a major "session" before going to town I would suggest that you are most likely to purchase your supplies well beforehand – it is most unlikely that you will go out between 9.00pm and 11.00pm to purchase your "pre-loading" supplies.

So, to the options.....

- 4) The council are considering three options with regard to off-licence maximum trading hours.....
  - a) Option 1: 7am - 9pm
  - b) Option 2: 7am - 11pm (the national maximum trading hours)
  - c) Option 3: 7am - 11pm except for the central city and Southern Zone where the hours are 7am-9pm

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- i) 7.00am – 11.00pm with a 9pm closing restriction on CBD and Southern areas. We would ask .... “what useful purpose will this serve?” If we limit the purchasing opportunity in this way it will have no impact on the small group of problem pre-loaders. They won't be buying between 9pm and 11.00pm. It may have an impact on that other group identified as “side loaders” – they could well be buying within these hours but surely this issue would be better managed at a consumption level and use more appropriate tools such as liquor bans and one-way door policies. Again, we are much better off managing the problem through management of consumption. If all else fails and I am hell bent on buying more from an off-licence at this hour I will simply bring my purchasing forward a bit.
- ii) 7.00am – 9.00pm. This option suffers from the same issues as the option above and it also has the potential to impact on many more consumers than intended. The vast majority of purchases from a supermarket that involve alcohol also include other grocery items. If we have to shut the sale of alcohol off at 9.00pm we are essentially saying it is an 8.30 closure because by the time the consumer finishes their shopping it will be beyond 9.00pm by the time they get to the checkout. (the average time in a supermarket is around 30.00min) This has the potential to impact on tens of thousands of shoppers who do their shopping in the evening across 7 days of the week. Do we really want to impact on a significant number of consumers for no significant benefit.

The upshot of this could be that the supermarket shopper alters their shopping habits, they shop earlier, the store closes earlier and this in turn could result in fewer hours available to staff and loss of wages. The impact of this will flow right through the local economy.

- iii) 7.00am – 11.00pm. This is the preferred option for the off-licence sector of the market. This is also the national default hours detailed in the new Act. The off-licence sector is prepared to work to these hours and they believe they can “make it work” from a customer satisfaction point of view, an employment perspective, and a store operation perspective and this can all be achieved with no measurable impact on alcohol harm.

### Conclusion

We need to keep things in perspective. We know that the off-licence sector of the market is by far the biggest sector. This is simply a function of off-licence meeting the future alcohol needs (that is, consumption over time) whereas the on-licence sector is meeting the demand for immediate consumption. Any reduction in the hours of off licence operation will have very limited impact on problem consumption. We need to use other tools at our disposal to deal with this.(liquor bans and one way door policies). We have some 200,000 people living in the Wellington City catchment and if you consider how many of these are in the “causing harm” category you will reach the realisation that it is a consumption problem by a few and not a purchasing problem by the majority and we should set the rules appropriately.

Thank you for your attention.