

NSW ALCOHOL SUMMIT
PRELIMINARY BACKGROUND PAPER

NSW Office of Drug Policy
The Cabinet Office

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1. General

Alcohol is widely used in Australia. It is associated with celebrations, enjoyment and social activities. It is sometimes part of religious and cultural ceremonies.

Hotels and clubs are traditional community meeting places and centres of activity particularly in rural areas.

According to the *2001 National Drug Strategy Household Survey*, nine out of ten Australians over fourteen years had tried alcohol at some time in their lives and four in five had consumed alcohol in the 12 months preceding the 2001 survey (Australian Institute of Health and Welfare, Canberra, May 2002).

Research indicates regular alcohol consumption is considered to be acceptable by the majority of Australians (61 percent).

A recent research report states that:

“Drinking alcohol is intrinsic to Australian culture and the activity is seen as both normal, sociable and expected.”

“Alcohol is perceived to be liberating and empowering. Getting drunk is a badge of being an adult and drinking is one of the significant ‘rites of passage’ into adulthood”. (*A Study of Attitudes and Behaviours of Drinkers at Risk*, National Alcohol Strategy 2001 to 2003/04, Occasional Paper, Commonwealth Department of Health and Ageing, September 2002)

Australia was ranked nineteenth in the world in 1999/2000 in terms of per capita alcohol consumption (*World Drink Trends 2002*).

2. Costs of alcohol misuse

The social cost of alcohol in Australia in 1998/99 was estimated at \$7.5 billion (*Counting the cost: estimates of the social costs of drug abuse in Australia in 1998-9* Collins, D and Lapsley, H, Commonwealth of Australia, 2002).

This includes costs associated with:

- health and medical services - \$225 million net cost (there are also some health benefits associated with low level alcohol consumption)
- road accidents - \$1.8 billion
- lost productivity in the workplace - \$1.9 billion

*Except where stated otherwise, this paper is based on information and research cited in:

Alcohol in Australia: Issues and Strategies - A background paper to the National Alcohol Strategy: A Plan for Action 2001 to 2003/04, published by the Commonwealth of Australia 2001 and endorsed by the Ministerial Council on Drug Strategy, July 2001

- alcohol related crime - \$1.2 billion (for the first time this study included the tangible cost of crime).

Approximately \$3.9 billion of these costs or 62.1 percent were estimated by the authors to be potentially preventable and amenable to public policy initiatives (allowing time for such interventions to be effective).

Preliminary estimates indicate that the NSW Government spends almost \$1 billion annually on drug and alcohol services and dealing with associated problems in the community (including some tobacco associated costs).

3. Key harms caused by alcohol

Various recent studies show:

- Around 3,300 deaths per annum in Australia are attributed to alcohol use, second only to tobacco as a preventable cause of death and hospitalisation.
- More than 72,000 hospital admissions per annum in Australia are estimated to be caused by high-risk drinking.
- Main alcohol-related causes of death and hospitalisation are cirrhosis of the liver, cancers, stroke, falls and motor vehicle accidents.
- Regular consumption of large quantities of alcohol by pregnant women, may be associated with a variety of adverse foetal consequences, including congenital abnormalities and foetal alcohol syndrome (foetal alcohol syndrome includes physical abnormalities, slow growth and neurological dysfunction).
- One third of all driver and pedestrian deaths are alcohol related.
- 12 percent of suicides, 16 percent of child abuse cases, 44 percent of fire injuries, 34 percent of falls and drowning, are associated with alcohol consumption.
- Alcohol and drugs contribute to between 3 and 11 percent of workplace injuries and fatalities. Alcohol is also implicated in impaired work performance and productivity, and absenteeism.
- Between 41 and 70 percent of violent crimes are committed under the influence of alcohol; in NSW alcohol was estimated to be prevalent in 42 percent of homicide incidents (although the exact role of alcohol in homicide is under debate).
- Prisoners and offenders, prior to incarceration, show higher levels of alcohol consumption than the general population, with between 32 percent and 50 percent of offenders classified as alcohol dependent or heavy users.

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- Rates of deaths that can be wholly attributed to excessive use of alcohol are higher in non-metropolitan areas.
- About 5-10 percent of the population drink amounts that are considered harmful or hazardous.
- There are clear gender differences in patterns of consumption (eg men usually drink at an earlier age and generally drink more than women with consequent shorter life expectancy rates).
- Women are more vulnerable to both the acute and chronic effects of alcohol misuse.
- Misuse of alcohol is a particular concern to Aboriginal and Torres Strait Islander (ATSI) communities. Research has shown that although the proportion of ATSI people who drink is smaller than in the general population, those who drink tend to consume higher quantities – 68 percent of Aboriginal people consume alcohol at harmful levels compared to around 10 percent of drinkers in the general population.

Organisational records of the NSW Police indicate that an estimated 70 percent of incidents attended by police each year are alcohol related.

Other research indicates that almost 80 percent of domestic violence and street incidents (assaults, offensive behaviour or conduct, malicious damage and noise complaints) are alcohol related.

4. Teenage/young people drinking

Alcohol plays a significant part in adolescent culture – it is very much a group activity for younger age groups. There is some evidence to suggest that many underage drinkers set out to get drunk and get drunk quickly.

The *2001 National Drug Strategy Household Survey* reported that more than 60 percent of young adults and 45 percent of teenagers have at least one drinking session per year that is risky or high risk for short term harm.

In 2002, Roy Morgan Research conducted an *Alcohol Awareness Survey* for the Salvation Army.

The key findings were reported as:

- Binge drinking for both young males and females is significant with 35 percent of teenage males admitting to drinking in one day during the last month

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between 11 and 30 alcoholic drinks and 22 percent of teenage females drinking between 9 and 30 drinks.

- 63 percent of young people have had their first drink by the age of fourteen – 14 percent by the age of 11 years.
- People under 24 years state their reason for drinking as “to fit in on social occasions”. More women than men drink to fit in on social occasions and more men than women drink “to relax”.

5. Key benefits of alcohol consumption

Health

A number of health benefits have been reported to be associated with alcohol consumption at low risk consumption levels. However, research indicates careful interpretation is needed in the formulation of public health policy on this issue.

Various studies show that light and moderate alcohol consumption may:

- buffer the effect of both chronic strain and negative life events
- protect against gallstones, stroke, ischaemic heart disease and the risk of non-insulin dependent diabetes
- assist the development of bone mineral density
- reduce cognitive decline in older people

More compelling evidence suggests that light to moderate alcohol consumption in middle aged or elderly populations is associated with decreased mortality from cardiovascular disease. Most benefit from 1-2 standard drinks per day for men and less than 1 standard drink per day for women and all types of alcohol (not just red wine as commonly believed).

Economic

The economic contribution of alcohol to the Australian/NSW economy is substantial.

Annual retail sales of alcohol products in Australia is estimated at about \$13 billion. Australian Bureau of Statistics figures indicate that in 1993/94 Australian households spent \$908 per year on alcohol, representing 2.2 percent of their total expenditure.

The study on the costs of drug abuse in Australia looked at the impact of alcohol misuse on government budgets. Total receipts to state governments from alcohol

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were estimated at \$997.4 million and total net revenue to all governments at \$2.8 billion (*Collins and Lapsley, 2002*).

Regulatory information from the NSW Department of Gaming and Racing indicates that in NSW there are around 3630 restaurants, 2050 hotels, 1560 registered clubs and 1500 bottle shops involved in the sale of alcohol.

These venues provide employment for NSW residents and add to the social amenity of NSW communities.

There are many industry sectors involved in the production, sale and supply of alcohol generating a range of productive economic activity and employment. These include primary producers, manufacturing and packaging companies, retailers, marketing, advertising and printing companies, commodity and component suppliers, and transport.

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