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## COMMITTEE FOR SOCIAL DEVELOPMENT

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# OFFICIAL REPORT

(Hansard)

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### **Irresponsible Drinks Promotions**

30 September 2010

#### NORTHERN IRELAND ASSEMBLY

### COMMITTEE FOR SOCIAL DEVELOPMENT

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#### Members present for all or part of the proceedings:

Mr Simon Hamilton (Chairperson)

Ms Carál Ní Chuilín (Deputy Chairperson)

Mr Sydney Anderson

Mr Billy Armstrong

Mrs Mary Bradley

Mr Mickey Brady

Mr Jonathan Craig

Mr Alex Easton

Ms Anna Lo

Mr Fra McCann

#### Witnesses:

Mr Tom Bowler	)	
Ms Caroline Hobson	)	Department for Social Development
Mr Liam Ouinn	)	- -

#### The Chairperson (Mr Hamilton):

I welcome Liam Quinn, Tom Bowler and Caroline Hobson from the Department for Social Development. Members have been provided with a cover note on the background and key points of the Department's briefing on irresponsible drinks promotions. The Assembly Research and Library Service's paper on recent correspondence with the Royal College of Psychiatrists in Northern Ireland has also been provided. The session will be reported by Hansard. Perhaps you will give a brief introduction and then I will open up the floor for questions.

#### Mr Liam Quinn (Department for Social Development):

Thank you. I will give a bit of background and then my colleague Caroline Hobson will go through the detail.

For some time, Ministers have been concerned about irresponsible drinks promotions and the abuse of alcohol. In May, a joint committee of DHSSPS and DSD officials reported to the Health Minister, Mr McGimpsey, and the Social Development Minister, Ms Ritchie. Officials recognised that there was a weight of evidence on the harmful effects of excessive alcohol consumption and that irresponsible promotions and the low price of alcohol were contributing to the problem. They recommended that action be taken on irresponsible promotions, and that further investigations take place into minimum pricing, which had been raised in Scotland and was making its way through the Scottish Parliament at that time.

The Minister for Social Development was keen to take action on the issue without delaying the Licensing and Registration of Clubs (Amendment) Bill, which we discussed in a previous session. To that end, he considered using the Department of Justice Bill as a possible vehicle for bringing in legislation limiting irresponsible promotions. However, having discussed the matter with OFMDFM's machinery of government unit and the Office of the Legislative Counsel (OLC), that was not deemed to be practical.

We now propose to seek approval from the Executive to consult on our proposals, and, following the consultation and consideration of responses received, the Minister may then decide to introduce an amendment to the Licensing Bill at Consideration Stage. We hope to have help from the Committee in bringing that forward following the consultation if that is the route he wishes to take. Caroline will now speak to you about what we consider to be irresponsible drinks promotions.

#### **Ms Caroline Hobson (Department for Social Development):**

It is proposed that a provision in the Licensing Bill will amend the Licensing Order and the Clubs Order to include the power to allow the Department to make regulations, which will be subject to affirmative resolution, to restrict or prohibit irresponsible alcohol promotions and other specified promotional activity to tackle concerns about the over-consumption of alcohol.

It is intended that the new provision in the primary legislation will define what it meant by a drinks promotion and specify what is considered to be irresponsible. It will provide the Department with the power to set out in detail, in regulations, the type and scope of the restrictions to be put in place to prohibit or restrict promotions in both on- and off-sales premises licensed under the Licensing Order and the Clubs Order.

The provision will also provide that the regulations will also add or modify the list of activities to be counted as irresponsible and that it will be an offence for licensed premises and clubs to hold an irresponsible alcohol promotion.

Other specified promotions may be provided for in the legislation, including the supply of alcohol on licensed premises at a reduced price during a limited period of any day — happy hours — or other bans on the differential pricing of alcohol products. Legislation could also provide for the minimum price of a package containing two or more alcoholic products. In effect, that would mean that the price of such products must be equal to, or greater than, the sum of the prices at which each product is for sale. For example, if a bottle of wine costs £4, a retailer would not be able to sell a package of two bottles for less than £8. Similarly, a case of 24 cans of beer may not be sold at a price that is less than the cost of 24 individual cans, provided they are for sale individually in the premises.

However, officials are continuing to liaise with the OLC regarding the viability and legality of including those measures.

It is envisaged that, subject to the consultation, the following types of alcohol promotions will be deemed to be irresponsible: those relating to an alcoholic drink that is likely to appeal largely to under-18s; those that provide an alcohol drink for free, or cut-price, on purchase of one or more drinks, alcoholic or not; offers, such as two-for-one, where an alcoholic drink, or drinks, is provided free or cut price on the purchase of that drink; offers, such as 'All you can drink for £10'; a promotion in which a person is encouraged to buy, or drink, a larger measure of alcohol that he or she would have otherwise intended; any promotion based on the strength of any alcohol; drinking games that promote, reward or encourage the drinking of alcohol quickly; a promotion that offers alcohol as a reward or prize, unless the alcohol is in a sealed container and is consumed off the premises; a promotion in which alcohol is dispensed directly by one person into the mouth of another; and promotions that encourage specific groups to drink for free or at a

reduced price, such as 'Women drink for free', or student nights.

Officials are continuing to work up the details of what constitute irresponsible drinks promotions, and we will continue to consider the list after consultation and our discussions with the OLC. There will then be a further consultation on the details of the regulations, which will be undertaken as soon as possible.

#### The Chairperson:

Largely, I am happy with the way that the proposals are going. If there is a list of irresponsible promotions, is there not a risk that those who do the promoting will always stay a couple of steps ahead of the rest of us? Ultimately, they are running businesses and will try to get around the list by inventing new, and perhaps increasingly irresponsible, activities. This is not an argument against the list.

You have mentioned about a dozen types of activities that the Department is putting on the banned list. Will another half dozen activities be added in a year's time and then again the year after? As the situation develops, and as there are changes and tensions start to rise, will you be continually banning promotions? It might get to the stage where that work peters out, because the other side has given up, et cetera. But, will you get to the stage where you will be adding new irresponsible promotions to the list all the time?

#### Mr Quinn:

You are right, Chairperson. We could reach that stage. Undoubtedly, irresponsible licensees will attempt to get round any legislation. However, we are framing it so that the primary legislation will not require to be amended. When we want to add new irresponsible promotions to the list; that will be done through regulation, which will be an awful lot quicker.

#### Ms Hobson:

Including examples of irresponsible promotions in the primary legislation shows the type of territory in which we are working. We will be able to add to the list through the regulations, which will allow us the flexibility to deal with people who try to work around the provisions in the primary legislation, as you said, Chairperson.

#### The Chairperson:

I want to ask about the restriction on alcohol being given as a reward or prize unless it is in a sealed container and consumed off the premises. If a club is running an evening event, and there is a raffle, and one of the prizes is a bottle of whisky; will that be banned?

#### Mr Quinn:

No; as long as it is in a sealed container.

#### Mr Craig:

I have been in the embarrassing situation of winning the odd one and having to give it away.

#### The Chairperson:

I won a bottle of sherry one time.

#### Mr Craig:

The Royal College of Psychiatrists in Northern Ireland is very supportive of the issue, and I looked in particular at what Dr McGarry had to say. He is very clear that evidence shows that banning advertising, limiting the number of retailers and introducing minimum pricing works. I am going to be absolutely facetious here because we have just discussed a bit of legislation that will free up some sale of alcohol. I have heard the Department make all the arguments for a 150% increase in late night openings, which, unquestionably, will increase the level of drinking because, let us face it, that is their business, and they have to sell it. Yet, now we are discussing measures to try to limit the drinking of alcohol. Do we know what we are doing here, because we are simply not being consistent?

#### The Chairperson:

The only reason why we are discussing this matter now is that the point that Mr Craig is making was made during Second Stage, which was that there was an apparent contradiction in the Bill. One cannot free up at one end and not tighten at the other. There are some elements of tightening up in the Bill, but this is more what members wanted to see; that, at least, it is tackled at this stage and not delayed until later.

#### Mr Quinn:

I hear what the member is saying. Alcohol is part of our society, and members of the public

enjoy drinking it. However, we are trying to ensure that irresponsible drinks promotions are not taking place. The Minister was of the view that social clubs are generally well run. There are golf clubs, bowling clubs, cricket clubs, and Fra mentioned GAA clubs. Those clubs provide a service to their members and to their local communities. The Minister was convinced that allowing clubs to open additional hours during the year, or to apply to the police for permission to open during those additional hours, was the way to go.

#### **Mr Armstrong:**

When there is an element of fun brought into it, people become irresponsible. Sometimes, fun gets out of hand. In fact, someone said earlier that people even use dentists' chairs. As long as people are responsible, everything is OK, but in clubs, there is more of an element of fun and being less responsible.

#### The Chairperson:

A lot of irresponsibility also comes out of responsible licensing.

#### Mr Quinn:

I am not sure that registered clubs would be irresponsible.

#### **Mr Armstrong:**

Not all of them.

#### Mr F McCann:

There is a difference between registered clubs and some of the nightclubs that operate.

#### The Chairperson:

There is a slight difference.

#### Mr F McCann:

When we had our previous discussion on this issue in May, questions were asked about drinks promotions and the sale of alcohol in supermarkets. At that stage, we were told that the findings of a review being carried out in Scotland were being awaited. In the intervening period, the Ministers released two statements outlining most of the stuff that I thought we would have been discussing here, and that pre-empted what we were going to discuss. That was obviously for

publicity value. However, I noticed that when the officials talk about drinks promotions, supermarkets are not mentioned. I said in an earlier meeting that people's drinking habits have changed over the years. There are huge drinks promotions in Sainsbury's or Tesco, who almost sell drink at a loss to encourage people to come through the doors to buy other things. Yet, that poses as big a problem, or maybe even a bigger problem, than some of the drinks promotions. I fully agree with, and endorse, all the stuff that is in here about trying to curtail the activities of some drinking establishments.

However, in dealing with this, you have to look at some of the drinks promotions, especially coming up to Christmas. I see people coming out of supermarkets with trolley loads of drink that they have got at a cheap price. The common saying now is that a bottle of beer is cheaper than a tin of coke.

#### Mr Quinn:

To clarify, the proposals that Caroline outlined would apply to all licensed premises, including off-sales, public houses, registered clubs, hotels and supermarkets. It would apply across the board.

#### Mr S Anderson:

As one who was in the pub trade some 10 years ago — my family ran a rural country pub — I know that the people in my pub were very responsible. I do not want to see such pubs pushed down the road of closure, which is an opinion that I am sure is shared by many.

Again, Fra has stolen my thunder, because I want to talk about supermarkets. They have loss leaders, and pubs cannot buy drink from their suppliers at the prices that supermarkets are selling it for. That is still the case.

Our young people are living in a drinks culture, and it is more of an off-sales culture. Sometimes, they are buying as much drink as they can wheel out of a supermarket in a trolley. This is business, and Tesco and Sainsbury's can offer milk, for example, at their price. How can we pin the supermarkets back so that they have to sell alcohol at a certain price? If they can sell other products cheaply, is there anything in law that prevents supermarkets selling alcohol so cheaply? Something has to be done.

#### Ms Hobson:

We definitely acknowledge that. There are other pricing options, such as banning below-cost sales, minimum pricing or taxation. We are giving further consideration to all those options.

You mentioned banning below-cost sales. The coalition Government are undertaking a consultation, part of which is looking at banning below-cost sales. They are trying to find specific simple and effective ways of determining the cost of drink, which is one of the issues. They are also looking at ways of introducing and enforcing such a ban effectively. We are continuing to monitor that.

We are continuing to look at minimum pricing. Scotland tried to introduce minimum pricing in its Alcohol etc. (Scotland) Bill, which is going through the legislative process. However, so far, that has been defeated. We are aware that Scotland will try to reintroduce minimum pricing during the final stage of the Bill, and we will watch to see what happens over there. Obviously, we will then consider the implications that that will have for us. We acknowledge that something has to be done. However, at the moment, we do not have the legislative competence to do it.

#### Mr Quinn:

Taxation is a reserved matter. Therefore, any increase in duty would affect an attempt to introduce minimum pricing. There are also concerns as to whether trying to set a minimum price for alcohol would be within European competition regulations. We also need to take account of the cross-border element. If we were to push up the price of alcohol north of the border, we would end up losing business across the border. We saw the reverse of that in recent times, when the price of alcohol in the South was much higher than in the North. We could end up costing jobs in Northern Ireland.

#### Mr S Anderson:

What we find now is that young people tend to go to off-sales and cheap drinks outlets and sit at home and party until perhaps 10.00 pm, at which stage, they then decide to go out to the local pub or club, because they do not want to pay the higher prices all night. It will be difficult to stop that.

#### Ms Lo:

A lot of young people do that. They go to the supermarket to buy cheap drinks, tank themselves

up and then, at 10.00 pm, go to the pub to meet their friends.

I just want to ask one different question. A lot of the clubs sell alcohol quite cheaply and a lot of people join clubs. They are not playing golf or hockey, but they join the local sports club so that they can get cheap drinks. Will there be some regulations on clubs selling alcohol at the minimum price?

#### Mr Bowler:

It is a little known fact that club membership should be at a ratio of three full members to one less-than-full member. In law and in theory clubs should not allow any more than a ratio of 3 to 1 between full members and those who simply stand at the bar. That is one element of the answer. Policing that could be a bit tricky. The whole purpose of that particular rule is to stop people joining clubs for drinking purposes, but I do appreciate your point.

#### Ms Lo:

There are so many associate members.

#### The Chairperson:

Clubs tend to keep their prices down because their business model is different. Their overheads are low, and staff work for little or nothing. They do not have the same costs.

#### Ms Lo:

But that also encourages drinking to excess, because people know that it is a lot cheaper than they will pay in the pub down the road.

#### Mr F McCann:

I thought the whole purpose of the legislation was not to be anti-drink, but to be anti-abuse of drink.

#### Ms Lo:

Absolutely; it has huge economic and social costs to society.

#### The Chairperson:

We will await developments on this matter. As regards the route that officials have outlined,

about progressing this matter during Consideration Stage of the Licensing Bill, which we previously discussed, it might be useful to share your paper with the various other stakeholders so that we can start that process more quickly. I share some of the concerns expressed by members about the fact that it must be a full package; it cannot be one third or two thirds, and leaving out the important element of what we do about supermarkets and their behaviour. I appreciate that there are a lot of difficulties in achieving that, but we encourage you to continue with that work and an analysis of how that might be achieved. In many ways that is actually the key aspect. Thank you very much.

#### Mrs M Bradley:

What other Committees will consider the Bill, or is it just this one?

#### Mr Quinn:

Just this one; the measures will be included in the Licensing Bill, which will be considered by this Committee.

#### Mrs M Bradley:

I just wanted to know about that, because, in relation to some of the banning we are looking to do, we would need to go to another Committee to stop the advertising.

#### Mr Quinn:

We know that. Minister McGimpsey has just written to our Minister to say that he is fully supportive of the proposals because of the health benefits.

#### The Chairperson:

We might be able to send it to some other Committees for their views on it. Thank you very much.