

February 27th, 2013

Australian National Preventive Health Agency
GPO Box 462
Canberra ACT 2601

alcoholadvertising@anpha.gov.au

To the Committee

The purpose of this letter is to provide the publishing industry's submission to the Australian National Preventative Health Agency's Issue Paper, *Alcohol Advertising: The Effectiveness of Current Regulatory Codes in Addressing Community Concerns* (the Issues Paper).

ABOUT THE PAAB

The Publishers' Advertising Advisory Bureau (the PAAB) is an association of Australia's major newspaper and magazine publishers. The PAAB was established over 30 years ago to provide a united voice for publishers on issues affecting the industry as a whole. It is the preeminent industry body on matters relating to advertising. The Bureau provides advice to its publisher members and their constituent publications on legal and other issues affecting advertising.

The PAAB has an extensive knowledge of the estimated 160 pieces of Commonwealth, State and Territory legislation which include requirements on advertising, the various professional and industry Codes of Practice/Ethics, and publishers' legal obligations under the Competition and Consumer Act and various Fair Trading Acts.

We believe that with all advertisements, the more pertinent information included in the advertisement the more likely it is that readers' expectations will be met, and the less likely it is that the advertisement will be subject to complaint.

Further, the PAAB cooperates with governments and authorities at Federal, State and Local levels, and is recognised by the Australian Competition and Consumer Commission (ACCC) as the representative industry association for newspaper and magazine publishers on all advertising and related matters. The ACCC has referred to the Bureau as "a model of industry co-operation".

OUR RESPONSE TO THE ISSUES PAPER

The Issues Paper recognises that there are many debates and studies on the role of advertising as potential motivation of alcohol consumption and as a contributor to alcohol abuse none of which have proven conclusive.

Alcohol is a "mature" product category in that consumers are already aware of the product and its basic characteristics. Therefore, overall consumption is not affected significantly by advertising specific brands.

The purpose of advertising is to create brand allegiance or to persuade consumers to "switch" their brand loyalty to another, rather than increasing expenditure. For this reason, advertisers focus their efforts on established consumers. They seek to strengthen the loyalty of their own consumers and induce other consumers to try their brand.

Alcohol advertising is subject to appropriate existing measures.

Alcohol advertising in Australia is subject to appropriate measures through a combination of regulation, co-regulation and self-regulation. Indeed the Issues Paper identifies the numerous Codes which provide a number of protections of children's interests and the community in general.

PAAB Guiding Principle for Alcohol Beverages Advertising

The PAAB's Guiding Principle for Alcohol Beverages Advertising was developed to express its Members' overall obligations when accepting advertisements for alcohol beverages and supporting the industry initiatives of Distilled Spirits Industry Council of Australia and the ABAC self-regulatory system.

The PAAB Guiding Principle also aims to maintain a cohesive approach, by supporting and encouraging the measures already existing in the regulatory and self-regulatory framework and to ensure that alcohol beverage advertising encourages the responsible consumption of alcohol, shall be adult-oriented and socially responsible. Additionally, the PAAB has a Guiding Principle for Advertising Directed to Children.

The Australian Association of National Advertisers

Self-regulation has been well established and operating very successfully in Australia for over thirty years. In 1997, the Australian Association of National Advertisers (AANA) assumed the management of the self-regulatory system, including a set of Codes.

The Codes relevant to the Issues Paper include the AANA Code of Ethics; and more specifically the AANA Code for Advertising to Children which provides robust parameters preventing alcohol being included in advertising and marketing directed to children.

Complaints under the Codes are adjudicated by the independent Advertising Standards Board (ASB) which is administratively supported by the Advertising Standards Bureau.

The well recognised Advertising Standards Board is the independent adjudicator of complaints

Participation by the ASB in established international bodies ensures Australia is at the forefront of best practice, ensuring that advertising standards are both robust and coherent from market to market for the benefit of industry and consumers.

Indicative of the ASB's pro-active approach to world's best practice, it has conducted research into the Board's decisions to ensure that they are in line with prevailing community standards on advertising in Australia. Although many other countries support advertising self-regulatory systems, none have tested their Board's decisions against the views of their community.

Alcohol Beverages Advertising Code

The Alcoholic Beverages Advertising Code (ABAC) is quasi-regulatory body which includes industry, advertising as well as government representatives. The advertising guidelines have been negotiated with government and all complaints are handled independently with the industry bearing all the costs of administering the ABAC Scheme.

As also outlined in the Issues Paper, the aim of the Alcoholic Beverages Advertising Code (ABAC) Scheme is "[ensuring] that alcohol advertising will be conducted in a manner which neither conflicts with nor detracts from the need for responsibility and moderation in liquor merchandising and consumption, and which does not encourage consumption by underage persons". The Code outlines standards for alcohol advertising on television, radio, print and online.

The Alcohol Advertising Pre-Vetting Service (AAPS) is part of the ABAC Scheme providing a service to advertisers to assess proposed advertisements against the Alcohol Beverages Advertising Code at an early stage of campaign development.

Legislation and regulation

Also, in Australia, each State and Territory has legislation which regulates the supply and consumption of liquor. These Acts aims to contribute to minimising the harm arising from the misuse and abuse of alcohol by:

- providing adequate controls over the supply and consumption of liquor;
- ensuring as far as practicable that the supply of liquor contributes to, rather than detracting from the amenity of community life;
- facilitate the development of a diversity of licensed facilities reflecting community expectations; and
- contributes to the responsible development of the liquor and licensed hospitality industries.

The Acts provide penalties (including fines and licence suspension or cancellation) for failing to comply with licence conditions or other breaches of the Acts.

CONCLUSION

Whilst some have raised concerns over the current system of codes and complaints handling, the PAAB believes these are unwarranted particularly when balanced against the number of complaints received by ABAC and the ASB and the overall number of advertisements which are published and broadcast annually.

The PAAB believes that the existing framework of industry codes and legislation along with the complaints handling system is sound, robust and cost effective.

Additionally, we believe that the current self-regulatory system afford all parties – including advertisers, media and community – transparency, clarity, and consistency of approach and expectation.

The Publishers' Advertising Advisory Bureau is always very keen to contribute in any forum which promotes a balanced approach to social and corporate responsibility in the role of advertising.

Yours faithfully,



Lianne Richards
Executive Director