

17 August 2016

The Hon. Alan Ferguson  
Chair  
ABAC Management Committee  
PO Box 519  
STIRLING SA 5152

Dear Mr Ferguson

Thank you for your letter dated 27 May 2016 regarding VicHealth's blog post entitled 'How the alcohol industry misleads young people on Facebook'.<sup>1</sup> Professor Catford has requested that I respond on his behalf.

VicHealth has a strong focus on preventing alcohol-related harm. This includes supporting policy change that limits young people's exposure to alcohol marketing. We do this because research indicates that exposure to alcohol advertising can influence young people's beliefs and attitudes about drinking, and can lead to early initiation to alcohol use and increased consumption.<sup>2</sup>

I note that your letter raises concerns about statements made in the blog post about the Alcohol Beverages Advertising Code Scheme (ABAC Scheme) that you consider to be incorrect or misleading. VicHealth has considered each of your concerns and responds as follows:

#### **Quasi-regulatory vs self-regulatory**

The blog post refers to the ABAC Scheme as 'self-regulatory', whereas your letter states that the Scheme is 'quasi-regulatory'.

It is recognised that there is some overlap in the definitions of 'self-regulation' and 'quasi-regulation' and it could be argued that the ABAC Scheme fits within the definition of both 'self-regulation' and 'quasi-regulation'.

Given the ambiguity, VicHealth accepts your position and agrees that the ABAC Scheme can fit the definition of 'quasi-regulation'. VicHealth will therefore amend the blog post and substitute the term 'self-regulatory' with 'quasi regulatory'.

#### **Mandatory scheme**

The blog post highlights that the ABAC Scheme is a voluntary scheme, whereas you note in your letter that while the scheme is voluntary the majority of alcohol companies have signed up to the ABAC Scheme.

Although you note that the three largest alcohol industry associations in Australia are signatories to the scheme and that there are other various direct signatories, VicHealth stands by its statement in the blog

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#### **Victorian Health Promotion Foundation**

Ground Floor, 15–31 Pelham Street, Carlton VIC 3053  
PO Box 154, Carlton South VIC 3053, Australia  
T +61 3 9667 1333 F +61 3 9667 1375  
E [vichealth@vichealth.vic.gov.au](mailto:vichealth@vichealth.vic.gov.au) W [vichealth.vic.gov.au](http://vichealth.vic.gov.au)  
ABN 20 734 406 352

#### **Patrons**

The Honourable Alex Chernov AC QC  
Governor of Victoria (Patron-in-Chief)  
Sir James Gobbo  
Professor Emeritus  
Sir Gustav Nossal AC CBE

post that the code is 'not mandatory – and not all alcohol companies have signed up' on the basis that it is a statement of fact.

### **Number of complaints**

The blog post notes that 133 complaints were received and that only seven complaints resulted in alcohol advertisements being removed, implying that seven complaints were found to have breached the code. Your letter raises a concern with the number of complaints quoted in the blog post.

This statement in the blog post is in line with ABAC's 2015 Annual Report, a copy of which you attached to your letter, which states on pages 9, 10 and 37 that you received 133 complaints.

Your letter details the processes followed by ABAC to assess the complaints, and identifies that 35 of the 133 complaints were referred to your Adjudication Panel for decision.

VicHealth acknowledges that there are multiple ways to report the number of complaints received under the ABAC Scheme.

VicHealth maintains that it is reasonable for the blog post to report that 133 complaints were received as this reflects that level of community concern about alcohol advertising. Given that lack of awareness of existing alcohol advertising regulation and the complaints mechanism (ABAC Scheme Limited media release dated 27 March 2014 titled '*Alcohol industry boosts awareness of advertising and promotion regulation*'), VicHealth is of the view that the level of community concern about inappropriate alcohol advertising is likely to be much higher than that which is reflected by the 133 complaints received in 2015.

VicHealth will retain the statement in the blog post that that 133 complaints were received.

### **Independence and pre-vetting**

The blog post suggests that the regulation of alcohol advertising should be independent of the alcohol industry.

You have detailed that the structures and decision mechanisms of the ABAC Scheme and suggest that these provide a reasonable and appropriate level of independence from the alcohol industry.

Although VicHealth acknowledges the efforts instituted by ABAC to separate the Scheme from the alcohol industry, VicHealth is of the view that the regulation of alcohol advertising should be completely independent of industry.

I note that VicHealth is not alone in its concerns about the ABAC Scheme, its independence and its effectiveness. Multiple government reviews have identified problems with the Scheme,<sup>3</sup> as have leading academics including Professor Paul Dietz, Professor Sandra Jones and Dr Nicolas Carah, and peak health organisations such as the McCusker Centre for Action on Alcohol and Youth, Alcohol and Drug Foundation, Alcohol Policy Coalition, National Alliance for Action on Alcohol, and the Foundation for Alcohol Research and Education (FARE).<sup>4</sup> All of these academics and organisations have published on their concerns with the ABAC Scheme.

**Additional actions**

I note that you have requested that VicHealth include your letter on the blog post's page. VicHealth accepts this request and will include the letter, along with a copy of this response, and a statement as follows:

*In the days following this blog being posted, we were contacted by ABAC's Management Committee, who had concerns with some of the content of the post. Based on their letter, we have changed the term 'self-regulated' to 'quasi-regulated' within the blog post. After careful consideration of other issues raised by ABAC, we have decided not to make any further changes to the blog post.*

*We would like to clarify the blog post does not intend to be critical of the staff, Management Committee or the experts that support the operation of the ABAC Scheme. The intention of the blog post is to highlight the deficiency in the ability of a 'quasi-regulatory' system to effectively regulate alcohol advertising in Australia and properly protect our children and young people from the potential harms associated with inappropriate alcohol advertising.*

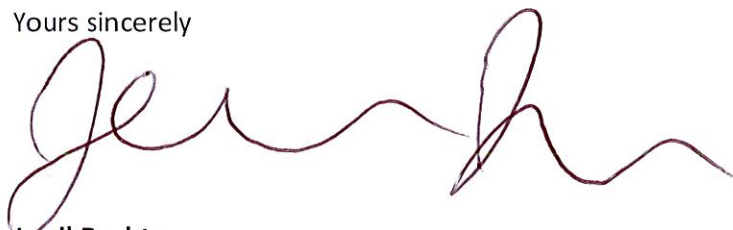
*You can see a copy of ABAC's letter [here](#), and our response [here](#).*

Your letter also invites VicHealth to publish links on our website to ABAC publications and complaint systems. VicHealth will honour this request.

Should you wish to discuss this matter further please contact my office on 03 9667 1302.

VicHealth is proud of its continuing work to prevent alcohol-related harm, and along with our partners we will continue to seek regulatory reform, particularly reforms that will benefit young Victorians.

Yours sincerely



**Jerril Rechter**  
**Chief Executive Officer**

cc The Hon. Martin Foley MP, Minister for Mental Health  
cc Professor John Catford, Chair, VicHealth

## References

- <sup>1</sup> Hargrave, G 2016, 'How the alcohol industry misleads young people on Facebook', *VicHealth blog*, 25 May, viewed 2 August 2016, <https://www.vichealth.vic.gov.au/media-and-resources/blog/how-the-alcohol-industry-misleads-young-people-on-facebook>
- <sup>2</sup> Snyder, L, Fleming-Milicic, F, Slater, M, Sun, H & Strizhakova, Y 2006, 'Effects of Alcohol advertising exposure on drinking among youth', *Archives of Pediatrics and Adolescent Medicine*, vol. 160, pp. 18–24; Smith, LA & Foxcroft, DR 2009, 'The effect of alcohol advertising, marketing and portrayal on drinking behaviour in young people: systematic review of prospective cohort studies', *BMC Public Health*, vol. 9, no. 51; Anderson, P, Bruijn, A, Angus, K, Gordon, R & Hastings, G 2009, 'Impact of alcohol advertising and media exposure on adolescent alcohol use: A systematic review of longitudinal studies', *Alcohol*, vol. 44, no. 3, pp. 229–243.
- <sup>3</sup> Australian National Preventive Health Agency 2014, *Alcohol advertising: The effectiveness of current regulatory codes in addressing community concern*, viewed 2 August 2016, <http://www.alcohol.gov.au/internet/alcohol/publishing.nsf/Content/alcohol-advertising>; House of Representatives Standing Committee on Social Policy and Legal Affairs 2011, 'Reclaiming public space: Inquiry into the regulation of billboard and outdoor advertising', viewed 2 August 2016, [http://www.aph.gov.au/Parliamentary\\_Business/Committees/House\\_of\\_Representatives\\_committees?url=spla/outdoor%20advertising/report/index.htm](http://www.aph.gov.au/Parliamentary_Business/Committees/House_of_Representatives_committees?url=spla/outdoor%20advertising/report/index.htm); National Committee for the Review of Alcohol Advertising 2003, *Report to the Ministerial Council of Drug Strategy: Review of the self-regulatory system for alcohol advertising*, National Committee for the Review of Alcohol Advertising, accessed 3 August 2016, [http://docs.health.vic.gov.au/docs/doc/2E4E141E5A719092CA2578A1000A1CB0/\\$FILE/ncraareport.pdf](http://docs.health.vic.gov.au/docs/doc/2E4E141E5A719092CA2578A1000A1CB0/$FILE/ncraareport.pdf)
- <sup>4</sup> Alcohol Policy Coalition 2009, *Marketing and advertising of alcohol*, viewed 2 August 2016, <http://www.alcoholpolicycoalition.org.au/downloads/position-statements/marketing-promotion-of-alcohol.pdf>; Alcohol and Drug Foundation 2016, 'Trust us, we are responsible?', *GrogWatch*, 10 May, viewed 2 August 2016, <http://grogwatch.adf.org.au/2016/05/trust-us-we-are-responsible/>; Foundation for Alcohol Research and Education 2016, 'Marketing & promotion', viewed 2 August 2016, <http://fare.org.au/policy/marketing/>
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