



# The Sale of Alcohol Bill (2022): An analysis of costs and benefits

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# The Sale of Alcohol Bill (2022): An analysis of costs and benefits

### **Abstract**

The General Scheme of the Sale of Alcohol Bill (2022) was published by the Irish Government's Department of Justice on October 25th, 2022. Many provisions in the Sale of Alcohol bill have the potential to increase alcohol availability and facilitate access to drinking opportunities. Based on alcohol availability theory and the considerable amount of supporting research, it is highly likely that the bill could contribute to an upward trend in alcohol consumption and alcohol-related harm. Research generally indicates that when alcohol is more readily available, consumption and associated problems increase.

In order to avoid the mistakes of other countries where the promotion of the night-time economy have led to epidemics of public intoxication, the provisions of the Sale of Alcohol Bill should be revised taking into account public health considerations described in this report. The costs of expanding the night-time economy are likely to far outweigh the benefits if public health issues continue to be ignored.

# Introduction

Licences for the sale of alcohol exist to regulate who may sell alcohol, from where they may sell it and how they may sell it. The Sale of Alcohol Bill proposes significant changes to the licensing framework in Ireland. Drawing on sound scientific evidence from research on alcohol control policy and on the night-time economy (NTE), this report focuses the potential health impacts to be expected from an extension to hours of trading, increased numbers and types of venues for alcohol sales, lack of regulation of drink deliveries and the removal of limits on the number of on-licenses.

The Sale of Alcohol Bill has three main aims: 1) streamline a licensing system; 2) create a single piece of modern legislation to regulate the sale of alcohol; and 3) support the night-time culture and the wider economy around hospitality. This report focuses mainly on the third aim because of the risks that it has for public health.

As noted in the submissions already provided by several civil society organizations (e.g., Ballymun Local Drug and Alcohol Task Force, College of Psychiatrists of Ireland), there is a lack of specificity about policy objectives, except for the promotion of the night-time economy and measures that would increase access to alcohol. Little or no attention is devoted the critical public health issues (e.g., alcohol-related disease, accidents, injuries, crime, public disorder, public safety, domestic violence) that often accompany expansion of alcohol availability.

Alcohol consumption increased significantly in Ireland during the 1980's and 1990's because of economic prosperity and liberalization of alcohol availability, and there has been a reduction in consumption during the past two decades. Nevertheless, the European Union is the region with the highest alcohol consumption in the world, and Ireland is among the top 10 EU countries in terms of heavy episodic drinking, per capita alcohol consumption and a variety of alcohol-related problems (World Health Organization, 2018).

Infographic 1 provides an illustration of how much is consumed by the average person.



A critical public health question that needs to be considered is the extent to which some of the key provisions in the Sale of Alcohol Bill will serve as a vehicle not only for increased alcohol consumption, but also for alcohol-related problems. There is now an extensive scientific literature on the effects of the measures proposed in the Bill, including the extension of trading hours, the concentration of drinking outlets, lack of regulation of drink deliveries and the removal of limits on the number of on-licenses. After a brief summary of this literature, this report describes some of the international trends in NTE and their implications for public health, safety and well being in Ireland.

# **Extension of trading hours**

The Sale of Alcohol Bill proposes an extension of trading hours as a way to stimulate economic activity in Ireland, particularly in the larger cities. The public health effects of extending trading hours have been investigated extensively in many countries (Babor et al., 2023, Chapter 8). For example, an evaluation of a 1-hour increase in opening hours of alcohol outlets (from 4 a.m. to 5 a.m. on Friday and Saturday nights, and from 3 a.m. to 4 a.m. on weeknights) in central Amsterdam (de Goeij and colleagues, 2015) found a 34% increase in ambulance attendances for alcohol-related injury compared with other areas within the city. Another study of 0.5–2-hour changes in both directions in 18 Norwegian cities (Rossow and Norström, 2022) estimated that 16–25% of the effects on assault incidence per hour of trading could be attributed to the increase in trading hours. In general, even small changes in the temporal availability can contribute to a variety of alcohol-related problems (Babor et al., 2023, chapter 8).

# Increased numbers and types of venues for alcohol sales

The Sale of Alcohol Bill proposes to remove the extinguishment requirement, which has been a central tenet of Irish licensing law, therefore removing the limits on the number of alcohol licenses. Increasing the number and concentration of outlets can affect alcohol consumption by reducing the time and effort required to access alcoholic beverages, and by making alcohol more affordable due to increased competition (Stockwell and Gruenewald 2004). Increasing densities of alcohol outlets (especially bars, pubs and nightclubs) can influence harm rates via the opportunities for social interaction between potential victims and perpetrators and by concentrating particular types of drinkers (e.g., young adults) within certain venues (Livingston et al. 2007).

Studies of increased retail alcohol outlet density have generally found negative outcomes, including street and domestic violence, road crashes, and injury. Studies focussed explicitly on youth drinking have found that neighbourhood availability is associated with alcohol consumption by adolescents (Fitterer et al. 2015). These findings apply not only to outlets most associated with on-premises drinking (bars, pubs), but also to off-premises outlets as well (e.g. Livingston 2011).

Analyses of road crash outcomes reveal a positive relationship between on-premise outlet density and crash rates (Lipton et al. 2018). Hospital admissions, emergency presentations and domestic violence are also influenced by increases in outlet density (Hobday et al. 2015; Livingston, 2010). In summary, there is good evidence that local-level alcohol availability is associated with a variety of alcohol-related harms.

# Other issues: Regulating the drinking context and drink deliveries

The Sale of Alcohol Bill contains some provisions designed to mitigate the potential for alcohol-related problems, such as training for persons serving alcohol, increased security at venues where alcohol is served, and restrictions on home deliveries.

Some venue-focused approaches (e.g., training in preventing aggression) have a modest impact on alcohol-related problems (Babor et al., 2023, chapter 12). Policing approaches (enhanced enforcement and targeted policing) have shown small positive impacts. Comprehensive community approaches that include training and licensing of security personnel and other bar staff are the only interventions that have shown large effects, especially when they focus on enforcement. Unfortunately, there is no provision for funding these kinds of initiatives in the bill.

A major shift in alcohol availability was initiated by the expansion of online alcohol sales (usually involving home delivery) in many countries during the COVID 19 pandemic. There is little research into the impact of this new form of availability, but early studies point to potential risks (Huckle et al. 2021), especially for underage drinkers and persons with alcohol dependence. The Sale of Alcohol Bill requires the deliverer to check age of recipient, but there is no duty to check ages of actual drinkers, verify parent permission for children to drink in private homes and no requirements for online vendors to develop robust age check mechanism. These limitations could exacerbate the already burgeoning problem of youth binge drinking.

# Public health implications of support for the Night Time Economy

An overarching consideration in many of the provisions of the Bill is, as stated by Minister McEntee, to "ensure that our night-time culture is equal to that in cities across modern European cities". The impetus for the focus on the Night-Time Economy (NTE) undoubtedly came from the 2021 Report of the Night-Time Economy Taskforce, which defined NTE as s multi-layered set of sectors offering "cultural activity, entertainment, hospitality, festivals, sport and retail activity, with the aim of providing a safe and secure space to work and/or socialise" (p. 8). It is notable that the report, in its promotion of "a range of activities to suit all ages and interests," mentioned the sale of alcoholic beverages in rather muted terms. Although a role for establishments selling alcohol is envisioned "in the Night-Time Economy of the future," (p. 12), the main focus of the Taskforce report was on "events and activities that do not involve or centre on the sale of alcohol..." Indeed, the report (p. 16) suggests the benefits of removing the incentive to consume alcohol in stating that: "The enhanced diversity of the Night-Time Economy offering that the Taskforce is recommending includes having more venues and cultural activities that do not involve the sale of alcohol. The importance of this non-alcohol based component of a more diverse Night-Time Economy was highlighted throughout the consultation process and the provision of interesting and enticing venues that can offer an alternative night out needs to be consciously encouraged and supported." None of these suggestions seem to be reflected in the Sale of Alcohol Bill, including alcohol-free bars for youth. The Taskforce also mentions (p. 32) that a "broader range of licences and greater flexibility in other countries contribute to varied Night-Time economies in international cities. The Taskforce believes that a modernised licensing system would play an important role in revitalising existing Night-Time Economy businesses such as pubs, clubs, hotels and restaurants."

It is true that major cities around the world have introduced measures to promote the night-time economy, in part to attract foreign tourists. Broad initiatives that include the promotion of entertainment, sporting events, cultural activities and shopping seem to be capable of facilitating commercial development, as in the case of Chinese cities (Lixin, 2022), but the experience of other cities has been mixed, with Amsterdam, Melbourne and a number of UK cities being prime examples (See Box 1). When alcohol consumption becomes the central organizing feature, as reflected in the proposed Sale of Alcohol Bill, the social and recreational benefits can come at an enormous cost. Part of the cost is attributable to the need to improve urban management, urban infrastructure and public transportation services, environmental sanitation, personal security, police protection, emergency services and traffic management.

# Case studies of night-time economy experiments

By the early 1990s, there was an increasing push in many countries for policy to support the development of NTE initiatives. This push was partly tied to the decline of center cities in industrial countries, and the expectation that retail and entertainment clusters could attract visitors and tourists to revitalize the urban economy. Support for NTE often took the form of deregulation of trading hours, expansion of liquor licensing, and removal of other impediments to entertainment-oriented businesses. Despite the promise of these initiatives, the desired cultural, economic and social benefits have not materialized in many cities. Instead of diversifying cultural and recreational opportunities for all age groups, the NTE has attracted a more limited demographic of young, disproportionately male clientele. The dramatic increase in alcohol-related crime, violence and injuries has prompted a countermovement to limit alcohol availability and promotions in some jurisdictions.

#### Manchester, UK

In 2005, The Government of England and Wales removed regulatory restrictions on the times at which licensed premises could sell alcohol. In Manchester, the overall volume of violence did not change, but there was a gradual and permanent shift of weekend violence into later parts of the night. After an initial increase of 27.5% between 03:00 to 06:00 the rate increased to 36% (Humphreys, et al., 2013).

#### Canberra, Australia

Alcohol-related harm is a major burden in Canberra with levels similar to or higher than other cities around Australia. This harm comes in the form of violence and injury, at a huge economic cost and burden to emergency services. Pre-drinking, energy drink use and illicit drug use all contribute significantly to the observed harm and offending behavior. An evaluation study (Miller, et al., 2019) also found that the fundamental tenet of liquor licensing—responsible service of alcohol—fails to be adequately enforced.

#### Queensland, Australia

In July 2016, the state government in Queensland implemented the multi-faceted Tackling Alcohol-Fuelled Violence (TAFV) Policy prompted by community concerns around alcohol-related violence. Key elements of the TAFV policy include 'last drinks' at 3 am, a ban on the sale of high alcohol-content drinks after midnight, the mandatory use of networked ID scanners after 10 pm in premises licensed to trade in Safe Night Precincts after midnight and a reduction in the granting of extended trading permits. Research (Miller, et al., 2021) demonstrates significant reductions in alcohol-related harm, including violence and ambulance attendances. Nevertheless, high levels of intoxication remain, suggesting harm reduction may be more difficult to achieve in these drinkers, in part because of the trend for drinking prior to going out in entertainment precincts (i.e. pre-drinking).

To the extent that the proposals are intended to "ensure that our night-time culture is equal to that in cities across modern European cities", one could ask: What cities does Ireland want to be compared to? Ironically, even the commercial sector (e.g., tourism, hospitality, local businesses) in some European cities (e.g., Amsterdam) has been souring on the idea of attracting binge drinking tourists, and some are now advocating for a more progressive, health conscious, approach to the NTE that is definitely not consistent with facilitating access to alcohol. One could, for example, compare "Delamere's dangerous drinking chart" showing infamous "stag and hen" party destinations (e.g., London, Leeds, Manchester and Liverpool) with Iceland Air's list of the world's most healthy cities, which are also known for their low alcohol consumption (Rokou, 2022).

During the past two decades in England there has been growing concern about the rise of the 'alcohol-fuelled night-time economy, which in many cities is characterized by clusters of late-night establishments and tension between those enjoying nights out, those profiting from the NTE and those impacted by violence, anti-social behavior and nuisance (McGill, et al., 2022). A series of sweeping legislative and regulatory changes have been made to address this issue, including a levy on drinking establishments to fund policing and sanitation.

One risk that could be created by the Sale of Alcohol Bill is the health and public safety problems caused by street drinking youth attracted to city centers where alcohol policies have been liberalized in terms of both on-premise and off premise alcohol sales. Many cities in the UK, the EU and Australia have experienced epidemics of public intoxication following policy changes that were intended, just like the Sale of Alcohol Bill, to attract adults and youth to social and cultural events, but succeeded mainly in attracting youth out for a night of heavy drinking.

Because of its proximity, Ireland receives more tourists from Great Britain (42%) than from any other country. According to the UK Foreign and Commonwealth Office (FCO, 2013), young tourists from the UK have been putting themselves at risk of serious harm such as hospitalization, arrest or detention because of their alcohol consumption while abroad. A key question for the Republic of Ireland is whether the major changes proposed in the Sale of Alcohol Bill are likely to facilitate epidemics of binge drinking that have major implications for public health and social well-being.

# Recommendations

Within the framework of research conducted on alcohol availability, it is not yet possible to estimate with precision the public health impact of the Sale of Alcohol bill on crime, traffic accidents, domestic violence, alcohol-related disease and mortality. Depending on the extent of increased alcohol availability and the enforcement of alcohol laws, the effects could vary from one jurisdiction to another.

Based on the information reviewed in this report, 14 recommendations are made below. These recommendations borrow from a seminal study (Foster, et al., 2017) of the NTE in the UK and Australia, which covered four areas: temporal and spatial policies, harm minimization and product restrictions. To those have been added a fifth category pertaining to public health impact assessment and sunset provisions.

#### Temporal and special policies

- Limit off-licence opening hours to between 10am and 10pm.
- Retain current restrictions on the hours at which alcohol may be sold to reduce harm associated with late night trade and, to the extent possible, restrict the availability of alcohol after midnight in the early morning hours.
- Improve regulation of off-licence liquor sales.
- Provide residents with access to legal resources and advice to ensure that the community is able to engage
  with licensing systems. The Community Guide to Alcohol Licensing developed by Alcohol Forum Ireland (2022)
  provides helpful information about how to enhance community involvement.
- Clearly define licensing policy to minimize the cumulative harm associated with higher densities of liquor outlets.

#### **Harm Minimization**

- Place the onus on applicants to prove that their venue is in the public interest. Reverse the burden of proof in licensing decisions to require applicants to demonstrate that granting of a license is in the public interest.
- Specify in in the Sale of Alcohol Bill the priority to be given to public health and the minimization of harm as objectives in the regulation of alcohol, including licensing decisions, and ensure they have primacy over other objectives, to empower communities and allow governments greater control of outlet density.

# **Product restrictions and industry involvement**

- Restrict the sale of products susceptible to abuse (e.g., liquor shots, energy drinks)
- Restrict the conditions allowing "super-pubs" to facilitate heavy drinking via venue design, price discounts and other marketing tactics.
- Avoid partnerships with alcohol industry and trade organizations that promote voluntary schemes, such as liquor accords, in favor of evidence-based policies to deliver meaningful reductions in alcohol-related harm.

# Public health assessment and sunset provisions

- Conduct a health impact assessment to provide information about the potential effects of the law on alcohol availability, alcohol consumption and alcohol-related problems.
- Monitor changes in license applications, outlet numbers, hours of sale, and outlet density.
- Collect and share data from hospital emergency departments and Gardai to inform policy development and improve strategies to reduce alcohol harm.
- Include a sunset provision in the Bill that terminates the law if it fails to produce economic benefits and reduce alcohol-related problems after a specified period of time.

# Last orders

The Irish public house has been at the center of Irish life for centuries, and its iconic mix of food, music, and meeting space has been a prime attraction for foreign tourists. The decline in the number of pubs, especially in rural areas, is in part due to changing opportunities for alcohol sales, home deliveries and the home recreation that have competed for the pub's services. Despite this decline, the Irish are among the heaviest drinkers in the world and the local pubs continue to contribute to that unfortunate statistic.

# The decline of the Irish Pub: "Have ye no homes to go to?"

The vast percentage of alcohol sold for consumption in Ireland is in the off trade. The removal of the groceries order in 2006 which had kept the retail price of some products, including alcohol, artificially high meant that alcohol could be sold as a loss leader. This resulted in significant price differences between the cost of on and off licensed trade and off license sales increased significantly (see Martin, 2016). There were several other factors which drove the change to home drinking, including drink driving regulations, the smoking ban and pre-drinking by youth before going to entertainment venues, but collectively as a nation, drinking patterns shifted significantly and rapidly in the period from 2006 onwards. The removal of the extinguishment requirement, contrary to what the Bill aspires to, actually poses further risk to the traditional and independently owned pub as it will make it easier for large chains to enter the market.

Many provisions in the Sale of Alcohol Bill have the potential to increase alcohol availability and facilitate access to drinking opportunities. Based on alcohol availability theory and the considerable amount of supporting research, it seems highly likely that the bill could contribute to an upward trend in alcohol consumption and alcohol-related harm. Research generally indicates that when alcohol is readily available, consumption and associated problems increase, while they decrease when restrictions are placed on availability (Babor et al., 2023, Chapter 8).

In order to avoid the mistakes of other countries and cities that have promoted the night-time economy, the provisions of the Sale of Alcohol Bill should be revised taking into account public health considerations described in this report. The costs of expanding the NTE are likely to far outweigh the benefits if public health issues continue to be ignored.

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