

## **Drinks Trade – January 2011**

### **New Year, new challenges**

A new year brings new challenges.

This year will most likely see a change of government in New South Wales and hence a new set of Ministers. That change of government, plus the new Liberal Government in Victoria, will also change the dynamics of the many inter-governmental committees where the states and commonwealth co-operate.

The Green Party will take control of the Australian Senate from 1 July, so the Labor government will have to negotiate legislation through both the lower and upper House. This will be fraught for every high profile industry with populist issues to defend, and the alcohol industry will likely again come under legislative pressure.

The Gillard government will hold a Tax Summit mid-year to allow an open dialogue about the Henry Tax Review and how and where Australia can make tax reforms. While the Henry recommendations on alcohol taxation were genuinely sensible and far-reaching reforms, nothing divides the alcohol industry like taxation and every sector will be making its case. Every other industry will be doing the same and the distilled spirit industry's challenge is to ensure that alcohol taxation is given the attention it deserves and the government then makes fair decisions.

The Australian National Preventative Health Agency will become fully established and start its work of running advertising campaigns against inappropriate drinking. Results from another government review – this time on warning labels on alcohol containers – will also be announced and the government will make its decisions.

But it is not all bad news. 2010 saw State governments take seriously again the public disorder in the major entertainment precincts, and increase police numbers and the monitoring of licensed premises. The impact of this action, and how much licensees have worn the blame for matters of personal responsibility has varied across Australia, but it is undeniable that the situation is much better and I hope it continues to improve during this year.

The other area of positive change is that parents are re-considering their role in underage drinking and being more sensible and restrictive, particularly around the Schoolies weeks. The applause for this must go to the industry-funded DrinkWise Australia for its advertising campaigns.