

EDUCATION AND HEALTH STANDING COMMITTEE

INQUIRY INTO THE ADEQUACY AND APPROPRIATENESS OF PREVENTION AND TREATMENT SERVICES FOR ALCOHOL AND ILLICIT DRUG PROBLEMS IN WESTERN AUSTRALIA

**TRANSCRIPT OF EVIDENCE TAKEN
AT PERTH
WEDNESDAY, 9 JUNE 2010**

SESSION FOUR

Members

Dr J.M. Woollard (Chairman)
Mr P. Abetz (Deputy Chairman)
Mr P.B. Watson
Mr I.C. Blayney
Ms L.L. Baker

Hearing commenced at 12.28 pm

TREMBLE, MR SHANE PATRICK

**Licensing and Acquisitions Manager, Woolworths Liquor Group,
examined:**

SAMIA, MS NATHALIE SHOSHANA

**Group Manager, Government Relations, Woolworths Limited,
examined:**

The CHAIRMAN: On behalf of the Education and Health Standing Committee, I would like to thank you for your interest in and your appearance before us today. The purpose of this hearing is to assist the committee in gathering evidence for its inquiry into the adequacy and appropriateness of prevention and treatment services for alcohol and illicit drug problems in Western Australia. You have been provided with a copy of the committee's specific terms of reference. At this stage I would like to introduce myself and the other members of the committee present today. I am Janet Woollard, and next to me is Mr Peter Abetz, and also Mr Ian Blayney. Dr David Worth, our principal research officer, will be joining us very soon, and Hansard is with us as well today.

The Education and Health Standing Committee is a committee of the Legislative Assembly of the Parliament of Western Australia. This hearing is a formal procedure of the Parliament and therefore commands the same respect given to proceedings in the house. Even though the committee is not asking you to provide evidence on oath or affirmation, it is important that you understand that any deliberate misleading of the committee may be regarded as a contempt of Parliament. This is a public hearing and Hansard will be making a transcript of the proceedings for the public record. If you refer to any document or documents during your evidence, it would assist Hansard if you could provide the full title for the record. Before we proceed to the questions we have for you today, I need to ask you a series of questions. Have you completed the "Details of Witness" form?

The Witnesses: Yes.

The CHAIRMAN: Do you understand the notes at the bottom of the form about giving evidence to a parliamentary committee.

The Witnesses: Yes.

The CHAIRMAN: Did you receive and read the information for witnesses briefing sheet provided with the "Details of Witness" form today?

The Witnesses: Yes.

The CHAIRMAN: Do you have any questions in relation to being a witness at today's hearing?

The Witnesses: No.

The CHAIRMAN: We might give you an opportunity to make a presentation to the committee first, and then, following your presentation, we have some questions that we would like to ask you. Would you prefer that we wait until you have finished your presentation, or are you happy to take interjections as you make the presentation?

Mr Tremble: I am happy to answer any questions you want to ask whenever you want to ask them. I have got a brief little statement here, which will not take very long.

Thanks for the opportunity to appear before the committee. My name is Shane Tremble, and I am the liquor licensing and acquisitions manager for Woolworths Liquor Group. I have been in the industry for just on 35 years. Prior to joining Woolworths I worked in the production side of the

wine industry; prior to that, David Jones in the food and liquor area as well; and, prior to that, the Coles Liquor Group for 15 years.

At Woolworths we take our role as a responsible retailer of alcohol very seriously. We are the largest alcohol retailer in Australia. We are committed to the responsible service and supply of alcohol, and all aspects of our liquor operations are subject to an alcohol strategy that includes a strict buying charter to ensure that products that target minors or encourage irresponsible drinking are not sold in our stores.

[12.30 pm]

Woolworths believes that alcohol consumption is ultimately an issue of individual responsibility. As the largest retailer of alcoholic beverages our aim is to operate our business beyond legal compliance to a standard of industry leadership.

I will give the committee a brief overview of our liquor operations in Western Australia. As of last Thursday, we operate 88 stores in Western Australia, including 42 Woolworths Liquor Stores, 39 BWS stores and seven Dan Murphy stores, the last one of which was opened last Thursday at Kelmscott. It represents in the vicinity of 17 per cent of the total available liquor licences in Western Australia. We have a further 10 retail stores—nine BWS and one Dan Murphy store—that are attached to hotels that are owned by our joint-venture hotel company, Australian Leisure and Hospitality.

In total we employ more than 750 Western Australians in our liquor business alone. Our sales of packaged liquor make up approximately 25 per cent of the packaged liquor market in Western Australia. We are very proud of the convenience, value and choice that we offer to our customers. I would like to reiterate that Woolworths is committed to best practice when it comes to alcohol retailing. All of our liquor store staff undergo thorough and comprehensive training and we take pride in the professionalism and diligence of all our team.

Preventing the sale of alcohol to underage customers is a key challenge for our staff members. To assist them in this task we have implemented the ID 25 program, which was developed by Woolworths and shared with the rest of the industry via the liquor store associations around the country. It essentially means that employees must ask for identification from anyone who looks 25 or younger. This is supported by prominent in-store signage and point-of-sale material. We have also initiated the Don't Buy It For Them campaign. It is designed to inform our customers about the danger of secondary supply of alcohol to minors. There is an enormous level of ignorance amongst the general public around secondary supply legislation and we have taken it upon ourselves to fill that gap by way of this campaign and the point-of-sale material that we use.

We have a very proud record of working with police and local councils and community groups to tackle problem drinking. This has included removing products from sale and reducing store hours in some communities where there is a demonstrated need to do so. We would like to note that it is important that the enjoyment of the majority of people who enjoy alcohol responsibly is not compromised by the actions of the small minority.

In summary, we are committed to comply with every aspect of the law as well as moving beyond, as I said, the position of industry leadership with regard to responsible service.

The CHAIRMAN: Nathalie, would you like to add to that?

Ms Samia: No, I think that Shane probably best summarised it. This time we are lucky that we have Shane who can give a great insight into the industry. The committee should probably direct most of the questions to Shane and he can share that insight with members.

Mr Tremble: Nathalie is here to jog my failing memory.

Mr P. ABETZ: The ID 25 campaign is a great initiative and we commend Woolworths for that. The same applies to the Don't Buy It For Them campaign. It is a huge issue in the community. Again Woolworths actions are very positive.

Can you elaborate on some of the strategies or things that you have done in local settings to address problem drinking? It might be helpful to the committee, because obviously we are looking at prevention—and rehabilitation, which does not come into your area. On the prevention side, what are some of the things that Woolworths have done that have worked well?

Mr Tremble: I will quote a couple of examples in a Western Australian context. Probably the most recent involves the BWS store at Maylands. We had some issues that were highlighted to us by the local Chamber of Commerce and the local government authority, including significant problems with street drinking around the area. Some of the alcohol was coming from one of our outlets. We engaged in discussions with the local council about what we could do to manage this issue. As a result of that we changed our trading hours and we opened that BWS store later. We removed certain products from sale—the ones that were seen as contributing to this problem. Large format casks were taken out of this store. We have engaged with the local police and also a local Indigenous brief interventions organisation. If we have intoxicated people acting in an antisocial way while attempting to purchase alcohol we have a contact point that we can call on. It met with a very positive response from the community. We have undertaken similar initiatives, usually in regional and remote areas in places such as Broome and Derby. On occasions we have been asked by police to close our stores in the event that there is a major community event that might lead to issues with intoxication or antisocial behaviour. There have been occasions in towns such as Derby and Broome on which we have actually closed the store for the day at the request of police.

Mr I.C. BLAYNEY: Have you always done that when you have been asked to do it?

Mr Tremble: In the time that I have been in this position I cannot think of an occasion when we refused to do so.

The CHAIRMAN: Do you believe the social impact of alcohol has gotten worse or better over the past 10 years?

Mr Tremble: That is a big question. If we look at things like direct alcohol-related deaths and hospitalisations, the numbers are getting better. However, this country, no doubt, has an issue with the way it uses alcohol. The issue is primarily around overindulgence—that is, drinking to get drunk, sometimes referred to as binge drinking—and the subsequent antisocial behaviour and violence. For various reasons that is certainly getting a lot more prominence of late than it did in the past. The community is less tolerant of that type of behaviour than it was at the time I was growing up. There is a perception amongst the community that alcohol problems are worse than they were. In terms of overall alcohol consumption, it has not increased; in fact there has been long-term decline over the past 30 years or more. It has essentially levelled out.

The CHAIRMAN: What has declined?

Mr Tremble: Alcohol consumption.

The CHAIRMAN: I should correct your understanding in relation to the local area, because at the hearing we had yesterday emergency department doctors indicated that the number of hospital presentations through alcohol consumption is actually increasing. Would it be possible to get for each of the past five financial years the total from the sale of alcoholic products?

[12.40 pm]

Mr Tremble: Yes.

Mr P. ABETZ: And also the differentiation between the product types, so that we can see if there has been any change in what is being purchased?

The CHAIRMAN: That is quite detailed information. But because of what has happened with this inquiry, we are hoping to gather that data to see whether the hospital presentations actually accord with the sale of alcohol. As you are the largest supplier of alcohol in Western Australia, your data would be very good to use to compare the two.

Mr Tremble: We do not have a problem with providing you with that kind of data. I was initially informed that it was to be this year's versus last year's kind of data, so that is what I have brought with me today. As the financial year is not over yet, I have done that in the form of what we call our moving annual total, so our total sales in Western Australia to the end of May, compared with precisely the same period last year. That is broken up over four major categories—beer, wine, spirits and RTDs.

The CHAIRMAN: That is wonderful. If it would be possible to get that information for the past five years, that would be very useful when we look at the hospitalisations.

Mr Tremble: I can take that request on notice. If we have that information, I am more than happy to provide it. I just ask that, because obviously this is commercial-in-confidence information, that it not be publicised on a website or anything relating to this inquiry.

The CHAIRMAN: That is fine. It would not count as a submission. It is information that you are providing to the committee.

Mr Tremble: Great.

The CHAIRMAN: You would be aware of the differences in the consumption of alcoholic drinks. With that information we will be able to get a picture of what drinks are consumed.

Mr Tremble: Absolutely. I can take you through that now if you want me to.

The CHAIRMAN: Yes, please.

Mr Tremble: There are some long-term trends in alcohol consumption that have been evident in this country for quite a long time. Australia traditionally has been a very high beer consuming country. In fact, 20 or 30 years ago we were up there with Germany and Czechoslovakia as being the biggest beer consumers in the world. We have since dropped away to about number 22, so beer consumption is on a long-term decline. That has been replaced in volume by wine consumption, largely.

The CHAIRMAN: Cheap wine?

Mr Tremble: No. In fact, it has been in the opposite direction. Wine consumption now in Australia is at around 20 litres per head per annum. That is by volume, not alcohol content. That is not high by European standards. The Italians and the French sit at about 60 litres per head per annum. But by English-speaking standards, it is quite high. That indicates a change in our lifestyles. People are consuming alcohol more regularly with food, and wine is the beverage of choice. With regard to the price issue, the cheapest form of alcohol available in this country, regardless of the category, is cask wine. Cask wine sales are also declining, and declining quite rapidly. That is evidenced by the fact that one of the largest wine companies in Australia, Foster's, has recently gotten out of the cask market. The trend is toward bottled wine. There is an issue at the moment with oversupply in the Australian wine industry. This is an agricultural industry, and as those of you who represent regional areas would be aware, it is one of the swings and roundabouts of most agricultural industries that you tend to get a situation where you have perpetual boom and bust cycles where you have gluts and then shortages. The wine industry certainly is no stranger to that. We are going through a glut at the moment, and what that is doing is pouring a high volume of product onto the market at prices somewhat lower than normal. But that is not having the effect of reversing the long-term trend away from cask wine. So an increasingly greater proportion of wine is being sold in glass bottles.

The CHAIRMAN: Does the advertising of weekly specials have an impact on the sale of products?

Mr Tremble: Sorry. One thing I forget to mention with regard to the consumption patterns for beer is that the same trend is evident, in that the big growth areas in beer are international brands and boutique and craft brands, and the high-volume commercial brands—the VBs, Swan Lagers and Emu Bitters—are in quite significant decline. Advertising and promotions obviously do have an effect on consumer behaviour, in the same way that it does on any other form of retail. When we advertise a product at below its normal price and offer people a saving, they will in some instances do what we call a pantry fill—they will stock up. But typically what happens is that the sales of that product in the period following the promotion would be lower than they otherwise would be. We do not treat alcohol like any other product that we sell in supermarkets. It is obviously very different from baked beans or cornflakes. But as far as people's buying patterns go, they will respond to promotional activity in the same way that they do with grocery items.

The CHAIRMAN: What was Woolworth's response to the Henry review in relation to a volumetric tax?

Mr Tremble: Typically, Woolworths takes the view with regard to taxation that taxation will be what it will be. Governments will introduce taxation regimes, and we will operate under whatever regime the government of the day decides to introduce. The supply side of our industry has some fairly deep divisions around the way taxation works. There are lots of differences between the distillers and the breweries and the wineries about how the industry should be taxed. We do not take a view on that. In our experience, supply or demand for alcohol among people who have an alcohol problem is relatively inelastic. That can be evidenced by grog runners in remote areas, for example, and the phenomenal prices that are paid for cartons of beer and casks of wine. People who have a serious alcohol problem are not going to respond to relatively minor changes in price that can be influenced by taxation. The effectiveness of tax as an instrument to control consumption I think is open for argument. We have seen the RTD tax, for example. There was a significant short-term drop certainly in RTD consumption, but that was not sustained over the long term.

The CHAIRMAN: What was the impact of the federal government's alcopops tax?

Mr Tremble: I have brought some charts for you that show that.

The CHAIRMAN: Could you talk to that initially, and then we will ask some questions.

Mr Tremble: I am absolutely happy to talk to that. The tax was introduced in late April 2008. Once again, sorry, this information is confidential, and I would appreciate it if it could be treated in the same way as the other information.

The CHAIRMAN: We do have someone from *The West Australian* sitting at the back of the room.

Mr P. ABETZ: We will let you know when you can come back in again.

[12.47 pm]

[The committee took evidence in closed session]

[12.52 pm]

The CHAIRMAN: I am sorry, I did not mean to interrupt you there. I was just giving Nathalie an opportunity to come back in. Did you want to continue?

Mr Tremble: I am sorry, I have forgotten what I was saying! I think we were talking about the event driven nature of the industry. So, as I said, there is a baseline of sales, and I guess if you talk about inelasticity, that sort of level that we do, that is the sales we do week by week regardless of what is happening. Sales increase in summer when there is warmer weather in states where we have daylight saving where people are out in the outdoors a little later in the evening, where, as I said, significant events, football finals, Christmas, Easter, Australia Day weekend and significant local community events might be locally run.

Mr I.C. BLAYNEY: What about trading hours, where you have a more deregulated trading environment with longer hours—does that tend to lead to increased sales?

Mr Tremble: We do not generally use them. Our available trading hours in New South Wales, for example, are 5.00 am until midnight off premises. It is extremely rare for us to trade a store longer than 8.00 am until 9.00 pm or 10.00 pm; and that is about enough in the on-premises context, we believe. That is when people want to do most of their shopping. We have tried to do things occasionally, like we will open a supermarket liquor store at 7.00 am to coincide with the 7.00 am opening hours of the supermarket, but we find that the sales in that time are so small that it is really not worth staffing the store. So, generally our core trading hours are kind of 8.00 am until 8.00 pm or 9.00 pm at night; and even when we have got more available hours, we tend not to use them. We might on special occasions—you know, Christmas Eve or something when people are out early buying their seafood.

Mr P.B. WATSON: Do you have that advertised on your floor?

Mr Tremble: Yes, we will. So if we change our trading hours, for instance, for Christmas, we will replace our trading hours sign for that week or whatever.

Mr P. ABETZ: Just weekend trading, is that a very significant part of —

Mr Tremble: Very significant, yes. In terms of trade, our three biggest days are Friday, Saturday and Sunday in those place where we are allowed to trade Sundays; we cannot in Western Australia in regional areas. But in New South Wales, Victoria, our Sunday is actually our biggest trading day when you calculate it on sales per hour basis because that span of hours is shorter; we only trade about 10 to six on Sundays, as opposed to eight or nine. But Friday evenings, Saturday mornings before people are going out and Sundays tend to be the three big days.

Mr P. ABETZ: So where you have got those more restricted trading hours, in that case in Western Australia, is that reflected in your sales per capita per Western Australian?

Mr Tremble: That is actually an interesting question. When you say “sales per capita”, our average sales out of our Western Australian stores are not affected in terms of our Western Australian stores do not do lower sales in their stores in other states, but our view of that is that there is a much smaller number of off-licences in Western Australia than there is anywhere else. Like, in terms of the number per head of population, Western Australia has the lowest licence density in the country—significantly lower; like 40 or 50 per cent lower than New South Wales and a lot lower than Victoria.

Mr P. ABETZ: And yet people who own liquor stores tell me they do not make a lot of money; it is not a big-margin business.

Mr Tremble: One of the things I do for this company is buy liquor stores and I can tell you quite honestly I pay an awful lot more for a liquor store in Western Australia than I do anywhere else in this country; and that certainly would not be the case if they were less profitable.

The CHAIRMAN: What about the differences between metropolitan Perth and regional WA; is there any difference in sales between metropolitan and regional?

Mr Tremble: Yes. Again I have brought some numbers for you to have a look at if you are interested; once again a chart.

The CHAIRMAN: Yes; great. Again, is that confidential?

Mr Tremble: I am afraid so, yes.

The CHAIRMAN: It is.

Mr P. ABETZ: Perhaps we could sight the figures.

The CHAIRMAN: We could maybe take that then. Rather than asking Natalie to leave the room again, we could take that and have a look at that and maybe follow up by post with any questions, if we are not able to understand that.

Mr Tremble: Yes. Just so that you are aware, though, the first store that you see on there is Broome BWS, which is a free-standing liquor store; and the other three stores are supermarket stores. And those three supermarket stores are Geraldton, Derby and Carnarvon. What they show is the food sales and liquor sales. In the case of the BWS store, it is obviously pretty much one line because the only food they sell is chips and snack foods basically. But in the supermarkets you will see the trend of liquor versus food sales.

Mr P.B. WATSON: So Dan Murphy's is yours, too, is it not?

Mr Tremble: That is correct, yes.

The CHAIRMAN: Obviously, your understanding is that there had not been an increase in —

Mr Tremble: I am sorry, I should have clarified. I understand, yes, there has been an increase in alcohol-related hospitalisations. What I meant to say was deaths directly attributable to alcohol. So, alcohol mortality has decreased considerably over the long term.

The CHAIRMAN: But the costs, both in terms of hospitalisations and the other costs to the community in terms of domestic violence, child abuse, public transport, all of those costs are increasing. We have evidence that those costs are increasing. So, in view of the fact that we know they are increasing, what new initiative do you think could be taken by this government to try to limit the impact of alcohol consumption?

Mr Tremble: I am not an expert in the field of alcohol epidemiology, so I cannot comment on that. I will accept what you say about the numbers. But I can comment on what I think is effective. My personal belief and experience in this area leads me to believe that a lot of effort is concentrated on the supply side and not very much on the demand side in terms of controlling alcohol problems.

[1.00 pm]

I think education is the biggest single thing we can do to manage people's use of alcohol into the future. There is a generation that I belong to that are probably lost causes in this area because we grew up in a different era—pre-RBT and without an understanding of what the downside of alcohol consumption potentially was. That to a certain extent has had an impact on our children's behaviour. I think there is a lot of research around to indicate that children's drinking behaviours come as a direct result of what they observe their parents doing. So I think if we can start capturing the younger generation so they can understand the negative impacts of alcohol that you were just talking about and the significant impact on the community of alcohol misuse that we could have much greater impact than scare campaigns.

Ms Samia: There are a couple of things. We had a discussion around this earlier and maybe, Shane, you could just raise one of the things were talking about—a direct campaign on secondary supply—and maybe you could also talk about some of the resourcing around liquor accords and maybe you could also talk about RSA training because I think there are some things in there that are worth drawing out.

Mr Tremble: There are not too many really good pieces of research around on alcohol use. A couple of good ones are the Australian secondary schools drug survey and the Australian Institute of Health and Welfare's alcohol and drug use survey. They are good because they are longitudinal; they have taken place over a very long period of time and they capture changes in people's drinking behaviour. The secondary schools drug survey has consistently said that young people—that is, people under the age of 18, juveniles—get most of their alcohol from their parents. That is the largest single source of alcohol for young people. There has been this view around on behalf of parents, me being one of them at one stage, that if you can introduce alcohol to your kids at a

younger age, potentially you can teach them how to manage alcohol better. But increasingly the scientific evidence is pointing in exactly the opposite direction; the longer you can delay the onset of drinking in children, the less chance that they will have alcohol problems in the future. So I think there is a big piece of work to be done around changing those kinds of attitudes.

We talked about secondary supply. There is an enormous level of ignorance around secondary supply legislation; the fact that it is actually against the law to purchase alcohol and give it to kids. We frequently get abused by parents who come into our stores and the kids point out a six-pack of vodka cruisers and they bring it up to the counter and we will not serve them. They ask us why and we get vociferous complaints about it. So we find ourselves filling the gap with point-of-sale material telling people that it is against the law to buy alcohol for kids. So we have this sort of stuff sitting around our stores.

[Witness held up a “Don’t buy for under 18s” poster.]

Those hang in smaller versions in the RTD section.

Mr P.B. WATSON: Are these laws for Western Australia?

Mr Tremble: Yes they are. This is filling the gap in public awareness of these issues.

Liquor accords are another one. For whatever reason, I am not quite sure why, liquor accords tend to be less developed in Western Australia than they are in some other states. They are extremely well established in New South Wales and Victoria. Where they are properly resourced and properly managed, they can have a significant effect on community alcohol problems because they include all the right stakeholders; licensees are involved, police are involved, local government authorities —

Mr P.B. WATSON: It is mainly in regional areas, is it not?

Mr Tremble: Some of the regional ones in WA are excellent. Broome is one that we cannot speak highly enough of; it is a very good, very effective organisation, and there are a couple of others. I will give you an example of one of the ones in the metro area. We recently tried to join the Vincent liquor accord and we were told that bottle shops could not join the accord because it was for the service of alcohol, not the sale of alcohol, so it was restricted to on-premise outlets. Now, if you believe the numbers that tell you that a large proportion of the alcohol that is consumed comes from off-premise outlets, I do not think that makes any sense at all.

Mr I.C. BLAYNEY: So how would you be involved in that?

Mr Tremble: We actually run an intranet site to manage our participation in accords nationally so our managers can log on at stores. When a manager goes to a new store, we want to quickly bring them up to speed with local issues. They get on their in-store terminal, bring up the site and find their local area. If there is an active accord in their area, they can just click on a folder and it will have all the accord minutes, all the issues and any correspondence related to the accord and they can access it and bring themselves up to speed with those issues very quickly. That is a really great tool for managing our participation. Unfortunately, not all areas have them. In some areas where they have them, they are not particularly effective because they do not meet regularly enough and they do not produce minutes and action points.

The CHAIRMAN: Are you able to, again possibly by way of supplementary information, direct us to one, two or possibly even three of what you believe are good accords in metropolitan areas in other states?

Mr Tremble: Absolutely I can.

The CHAIRMAN: We would be particularly interested if one of them could be in an area similar to our Northbridge and then may be another one in a different class of area.

Mr Tremble: I can quote one off the top of my head—the Kings Cross liquor accord in Sydney. Kings Cross is a nightclub precinct the same as Northbridge.

The CHAIRMAN: We actually all visited Kings Cross last year.

Mr Tremble: I am glad to see you all made it out in one piece!

Mr P.B. WATSON: We went during the day.

Mr Tremble: Okay, that is a different story! The Kings Cross liquor accord is a very effective accord.

The CHAIRMAN: And then maybe two others?

Mr Tremble: Geelong in Victoria. The Geelong accord in Victoria has long been used as a template. It was probably the first successful accord in the country and had a big impact on, particularly late-night issues in and around that city. I am trying to think of a third one. Freo in Western Australia, if there is —

Mr I.C. BLAYNEY: What about remote areas?

Mr Tremble: Broome I mentioned. Broome is a very good accord. That is a credit to them because I do not think they have had any resourcing. In some other parts of the country government puts some fairly significant resources into liquor accords and that is purely based on, I think, and largely driven by the licensees and some very good police officers who have been serving up there in the Kimberley region who have driven that.

The CHAIRMAN: Does Woolworths have any occupational health and safety issues with staff in relation to drug and alcohol consumption?

Mr Tremble: With our own staff, do you mean?

The CHAIRMAN: Hmm.

Mr Tremble: We have code of conduct provisions. No, I cannot think of a single occasion when we have had to dismiss any—I mean, drinking during the day for me, I cannot go out to lunch and then go back to the office if I have had a drink. It is a strict violation of our code of conduct.

Ms Samia: All Woolworths staff are —

Mr Tremble: Nobody drinks during working hours; me or Michael Luscombe included.

The CHAIRMAN: Could I ask, maybe Nathalie as a final question, if Woolworths is ready for the tobacco regulations that will be introduced in September?

Ms Samia: Yes, indeed. I think that we are just waiting for a final consultation or briefing about —

The CHAIRMAN: The position paper went out three weeks ago and you have responded to that, so you are ready to go.

Ms Samia: Yes, indeed. When I appeared, I think it was a year ago, there were a number of different formats so we just want to make sure that from an implementation perspective we are going to be spot-on because that is absolutely our intention. I think there was just one final —

Mr Tremble: Can I make one more point before we go?

The CHAIRMAN: Yes.

Mr Tremble: I have one more point just in terms of effective measures.

The CHAIRMAN: One other point I wanted to ask, because you showed us some of the posters, we would appreciate any other —

Mr Tremble: We are happy to leave with you —

The CHAIRMAN: — leaflets like that that you have. Also, I am sure that you are aware of the new NHMRC guidelines which is for adults no more than two standard drinks —

Mr Tremble: Two standard drinks a day. We are aware that that is what is proposed. As far as I am aware, they have not been adopted yet.

The CHAIRMAN: And for pregnant women —

Mr Tremble: The safest option is not to drink at all.

The CHAIRMAN: — is no alcohol because two standard drinks, with crossing the placenta barrier so quickly, can cause speech and other difficulties when a child is born.

Mr Tremble: We are actually the first people in the industry to start introducing pregnancy warnings on the labels of our own products. Where our own products appear, you will gradually see the introduction of a message that says, “If you are pregnant or think you are becoming pregnant, the safest option is not to drink”.

The CHAIRMAN: If you have any of those that could be provided by way of supplementary information —

Mr Tremble: We are happy to provide it, yes.

The CHAIRMAN: We would very much appreciate copies of those. Sorry, you wanted to add one last thing.

Mr Tremble: I have just one more point about training. Woolworths is a registered training organisation for the delivery of responsible service of alcohol training around the country. The reason that we have gone down that path rather than use third-party providers is that most of the RSA training in the country is very on-premises focused, so it talks about situations that you deal with when you are standing behind a bar but it does not really address a lot of the situations that you come across in a non-premises context. So we do a lot of additional training around off-premises issues, including role-play stuff. I will leave with you a DVD—the light one. Have you got that?

Ms Samia: This one?

Mr Tremble: Yes.

Mr P.B. WATSON: Do not give us the wrong DVD!

Mr Tremble: It is all right; they are both pretty much the same. It is just that this one is a shorter version of the 45-minute training film. These are the excerpts of the RSA.

[1.10 pm]

It is about 16-minutes long, and it shows parents attempting to buy alcohol for children, and intoxicated people attempting to purchase alcohol. It also shows minors in groups attempting to buy alcohol. It shows the sorts of scenarios you come across in a store as opposed to behind a pub bar. It is an illustration of the type of stuff we do to specifically prepare our people for the scenarios that they are likely to come across in an off-premise environment. Unfortunately, because liquor licensing legislation is managed on a state-by-state basis, the standards are very different in terms of training. The requirements and the legislation are different. In Queensland there is a different definition of intoxication—God knows why! It makes it hugely difficult for a national organisation to train to a consistent standard. Essentially we pick the highest and toughest standard around the country and train to that.

The CHAIRMAN: Given that we know now the link between alcohol and cancer and other diseases, what other advertising do you do with your products to alert people to health messages?

Mr Tremble: That sort of stuff is included in training. I do not believe it is within our remit as a retailer necessarily. If the government decides to put health warnings on alcohol labels, okay, great, we will sell them with health warnings. I am not quite sure our customers want us to act as a medical adviser.

The CHAIRMAN: Nathalie, last year when you appeared before the committee, you said that provided there was a level playing field you were happy to go along.

Ms Samia: Yes.

Mr Tremble: And that is what I mean about the introduction of warning labels on alcohol, for instance. Again, we do not have a position on it one way or another. If the government decides that is the way to go—great.

Mr P.B. WATSON: Was the fine you mentioned earlier \$11 000?

Mr Tremble: The fine for secondary supply?

Mr P.B. WATSON: Yes.

Mr Tremble: It varies state to state. My compliance person would be in a better position to answer that.

Mr P.B. WATSON: Can you provide that by way of supplementary information?

Mr Tremble: Absolutely.

Mr P.B. WATSON: Is that for someone who buys it or for the person selling it?

Mr Tremble: It is for both. The licensee and the supplier in the form of a person who buys it. I take it we are talking about secondary supply?

Mr P.B. WATSON: Yes. Say my son is celebrating his sixteenth birthday by having a party. If he says “I want those, Dad”, could I be pinned—not that I have done, by the way—the same amount as the person who supplies it?

Mr Tremble: That is an interesting question. The legislation on secondary supply varies from state to state. For example, in Victoria I can take my 15-year-old daughter to a restaurant and order her a glass of wine and she can drink it so long as she is with me. If I did that in New South Wales, they would clad me in irons. I am not certain of what the Western Australian legislation is, but it does vary. As I said, as a matter of policy—not necessarily as a matter of legislation—if we saw your 16-year-old son pointing out alcohol to you and it is obvious that you are going to purchase it for him, we will not serve you.

Mr I.C. BLAYNEY: Some years ago the Commonwealth Scientific and Industrial Research Organisation came up with a technology to remove some of the alcohol from wine. Do you remember that?

Mr Tremble: It is called spinning cone technology. As I said, I used to work in the production side of the industry so I know all about it.

Mr I.C. BLAYNEY: What happened to it?

Mr Tremble: It is happening. If any of you ever get out to Kelmscott you should look in the Dan Murphy’s store, which we were in this morning. We went to look at it because it is the newest Dan Murphy’s store in the country. It has a new Lindemans lower-alcohol product on promotion in the store. It is a reduced alcohol —

Mr I.C. BLAYNEY: What does it take it down to?

Mr Tremble: From a standard of 12 or 13—or 14 or 15 in some cases—to about eight per cent.

Mr I.C. BLAYNEY: I remember buying a bottle of it when they first came out.

Mr Tremble: They are becoming much more common. You may not have seen them, but there are some low alcohol sparkling alternatives that the Foster’s Group is producing in the Yellowglen range. McWilliam’s Wine Group and Lindemans are also doing them. Low-carbohydrate and mid-strength beers are growing significantly.

Mr I.C. BLAYNEY: I know the beer side of it, but not the wine side of it. It is not clear when you are buying wine; you literally have to have your glasses with you.

Mr Tremble: The newer ones make it quite clear what they are and we are giving them additional promotional activity because we think that the trend towards low-carb and mid-strength beers will be reflected in other product activities. It makes good sense to get behind it from not only a health point of view but also a commercial point of view.

Mr I.C. BLAYNEY: How much dearer is it to produce?

Mr Tremble: It is more expensive, but in percentage terms if you are talking about cost of goods, it would probably be only five to 10 per cent more expensive if you are doing it in volume. It is not really significant. There is a good margin in wine if you are one of the people lucky enough to have a good brand.

Ms Samia: We can send you some examples if you like so that you can look for them.

The CHAIRMAN: We just need the names and labels, not the product!

Mr Tremble: Maybe we could have a tasting!

The CHAIRMAN: Thank you for your evidence before the committee today. A transcript of this hearing will be forwarded to you for correction of minor errors. Any such corrections must be made and the transcript returned within 10 days from the date of the letter attached to the transcript. If the transcript is not returned within this period it will be deemed to be correct. New material cannot be added by these corrections and the sense of the evidence cannot be altered. Should you wish to provide additional information or elaborate on particular points, please include a supplementary submission for the committee's consideration when you return your corrected transcript of evidence.

Thank you, once again, for appearing today.

Hearing concluded 1.16 pm