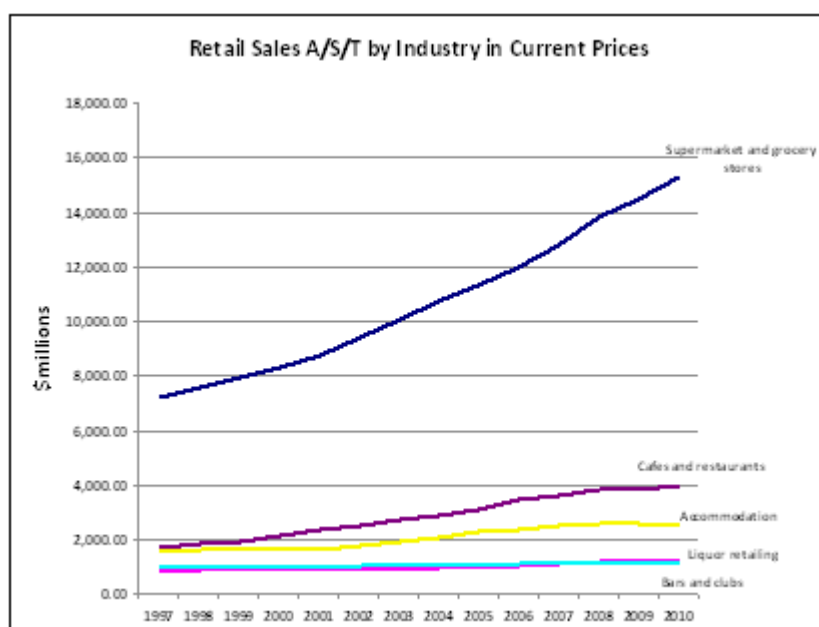


Media Release

Supermarkets' pricing drives binge drinking

The growth in sales of beer and wine from supermarkets and supermarkets' pricing strategy is the key driver in increased binge drinking, particularly by young people, says the Hospitality Association in their representations to the Select Committee considering the Alcohol Law Reform Bill. Supermarkets have dramatically increased market share leading a shift in where New Zealanders drink. Prior to de-regulation, over 40% of alcohol was consumed in bars and restaurants – this has dropped to less than 30% and continues to fall. The Hospitality Association says that this position is supported by the data with the following graph clearly showing supermarkets' sales rising dramatically while all other sectors remain flat.



The entry of supermarkets in to the market has resulted in lower prices and a significant increase in alcohol being consumed in unsupervised environments. Young people in particular had greater access to alcohol in unmanaged environments with it being supplied by parents and other adults.

Hospitality Association chief executive Bruce Robertson said much of the problems in hospitality precincts was driven by young people front-loading on cheap alcohol, coming in to the entertainment precincts and causing problems when they cannot access bars and entertainment venues.

Surely the point of this legislation is to reduce alcohol abuse - further legislative controls, restrictions and costs being imposed on on-premises with less than 30% of the market cannot and will not positively change New Zealand's drinking culture, concluded Mr Robertson.