

MINISTERIAL COMMITTEE ON DRUG POLICY MEETING

Monday 4 August 2008, 5.00pm – 6.00pm
Hon Jim Anderton's Office, Level 7 Executive Wing, Parliament Buildings
Wellington

MINUTES

1. WELCOME AND APOLOGIES

Ministers Present:

Hon Jim Anderton (Chair) –
Associate Minister of Health
Hon Damien O'Connor –
Associate Minister of Health

Hon Harry Duynhoven –
Minister for Transport Safety

Apologies:

Hon Lianne Dalziel –
Associate Minister of Justice
Hon Chris Carter –
Minister of Education
Hon Nanaia Mahuta –
Minister of Customs
Minister of Youth Affairs
Hon Annette King –
Minister of Justice
Hon Steve Chadwick –
Associate Minister of Health

Hon Mita Ririnui –
Associate Minister of Corrections
Hon Phil Goff –
Minister of Corrections
Hon Ruth Dyson –
Minister for Social Development
and Employment
Hon Parekura Horomia –
Minister of Maori Affairs

Officials Present:

Chris Laurenson – Health Barbara Phillips – Health Bronwen Hicks – Health Olivia Stapleton – Health Susan Edwards – Health Andrew Hearn - ALAC Megan Larken – ALAC Dave Negri – Customs Phil Lockwood – Customs Frances Scott – Customs Fiona Roberts – Justice Jared Mullen – Justice Sarah Lynn – Justice Ruth Palmer – Youth Development & Social Development Geoffrey Dunn – Police Jon Lyall – Police Geoff Short – Te Puni Kokiri	David Cuthbert – Office of the Hon Jim Anderton Jonathon Jones – Office of the Hon Jim Anderton Courtenay Mackie – Office of the Hon Damian O'Connor Michael Harrison – Office of Hon Nanaia Mahuta Rhondda Knox – Office of the Hon Dyson
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5. **READY TO DRINK BEVERAGES (RTDS); AVAILABILITY AND PRICE OF ALCOHOL IN SUPERMARKETS; AND EXCISE TAX**

The Committee noted the paper *Ready to Drink beverages (RTDs); availability and price of alcohol in supermarkets; and excise tax* prepared in accordance with direction from the MCDP 28 April 2008 meeting. At the 28 April meeting the Committee had expressed concern over the supply of RTDs to minors and the disproportionate harm that they may be causing.

Hon Anderton asked whether the IACD had been able to reach consensus on the issues outlined in the paper, including environmental impacts and the use of excise tax as a tool. There was discussion around the IACD's general stance on how to proceed and the Committee was in favour of taxing alcohol as the product. It was noted that consensus may not be reached with all agencies. It was also noted that the IACD considered the options outlined in the paper and are in favour of options 4 and 5, to consider voluntary industry initiatives and continue to address the wider environment in which alcohol is consumed by young people rather than specifically focussing on RTDs.

The Committee discussed imposing an excise duty on light spirits. Ministers noted that there was not a direct relationship between excise and price and that it was possible that a higher excise may not result in a price increase as excise could be fully or partially absorbed in the price of the product.

It was noted that two Canadian provinces have set minimum price levels for beer and that Scotland is considering imposing minimum prices for alcoholic drinks. It was noted that the Australian Government is looking to increase the excise on beer. Hon O'Connor requested updates on the latest international findings concerning the implementation of a minimum price on alcohol.

Hon O'Connor advised the IACD that while assessing the options proposed in the paper it is necessary to keep focusing on minimising harm and environmental issues. Hon Anderton queried the Committee on what the options could mean for the RTD Producers group. Hon O'Connor advised that the Committee are seeking endorsement from the MCDP to write to Lion Nathan to reduce RTDs from 2 to 1.5 standard drinks. The Australian Ministerial Committee has been considering reducing the RTD standard drinks to 1.5 and is yet to advise on outcomes. ALAC met with the RTD Producers' Group who have indicated a willingness to implement voluntary initiatives to address alcohol-related harm from RTDs.

Hon Duynhoven raised the issue of RTDs containing caffeine. The Committee discussed caffeine and alcohol levels in these particular drinks and the possibility of banning additional sugar to the beverages. Lowering the sugar content would consequently make the drinks less appealing to younger people.

Health and the Accident Compensation Corporation have contracted out a piece of research to estimate the costs of alcohol and other drug related harm. A draft will be prepared by the end of November for the final to be ready early 2009.

The Committee noted:

- (a) that the paper mentions countries that have imposed minimum prices on alcohol.

The Committee agreed:

That Health prepare a revised paper for the next MCDP meeting addressing:

- (a) international best practice and policy in relation to voluntary industry initiatives, minimum pricing and targeted tax on RTDs
- (b) Legal advice on minimum pricing
- (c) energy additive RTDs
- (d) limiting the sugar content of RTDs

That Health draft a letter for MCDP approval to the RTD Producers' Group on the five voluntary initiatives seeking industry endorsement to a maximum of 1.5 standard drinks in any RTD container.

6. NDP DISCRETIONARY GRANT FUND PROCESS

The Committee discussed the National Drug Policy (NDP) Discretionary Grant Fund and considered necessary changes to the processes for ensuring that the fund was effectively targeted and managed.

The NDP Discretionary Grant Fund was established to provide Ministers involved with drug policy access to a pool of funding for new initiatives or projects that fill identified gaps in drug policy work. The NDP Discretionary Grant Fund is jointly managed by the Interagency Committee on Drugs (IACD) and the Ministerial Committee on Drug Policy (MCDP).

Ministers wished to be involved in finalising the priority areas prior to the call for expressions of interest. The Chair clarified that IACD agencies should put forward a proposed list of priority areas for allocation of funding to Ministers prior to each funding round.

The option of having a proactively managed fund which would actively manage specific topic areas was discussed. This approach was not recommended by the IACD because it would be a significantly more resource intensive process and has the potential to overlook innovative proposals. However it was acknowledged that there may be occasions when specific issues arise where targeted funding could resolve a drug policy issue.

The Committee agreed:

- (a) that prior to future Discretionary Grant Fund rounds, the IACD are to put forward a proposed list of priority areas for allocation of funding to Ministers.

7. OTHER BUSINESS

No other issues were discussed.

8. NEXT MEETING

The next meeting confirmed was tentatively booked for Thursday 28 August 2008, 4.30pm – 5.30pm.