



Spirits New Zealand

Submission to Inform the Health
Strategy Review

Prepared for the Ministry of Health
July 2016



Introduction

Spirits New Zealand is the national trade organisation representing New Zealand's leading producers, distributors, brand owners, importers and exporters of premium spirits and spirit-based drinks.

Spirits NZ members are Bacardi, Beam Suntory, Brown-Forman, Diageo, Hancocks, Independent Liquor, Lion, Moet-Hennessy and Pernod Ricard. In addition we have three associate members who are Anchor Ethanol, EuroVintage and Federal Merchants.

Spirits NZ represents over 96% of spirit industry interests in New Zealand.

We have a direct interest in the review of the development of the New Zealand Health Research Strategy as it touches on areas we believe are important to changing our drinking culture and reducing the harm caused by excessive consumption. We believe that lasting culture change will only be achieved through the government-wide integration and development of:

- well-evidenced and coordinated policy interventions informed by high quality research;
- targeted education programmes;
- appropriate regulation; and
- industry partnerships.

We are therefore heartened by reference to coordination with other strategies already being implemented. In particular we note reference to the National Health Strategy which calls for government to become better coordinated, targeted, more inclusive and to develop and implement sound regulation to give effect to its health outcomes. Lastly, as funders of research through the HPA levy whose aim it is to better understand the behaviours underpinning harmful drinking we are very interested in ensuring that the Health Strategy supports our efforts to work jointly and collaboratively with agencies and Ministers in this area.

Please do not hesitate to contact me to discuss anything in this document in more detail. We give permission for this submission to be made available publicly.



Robert Brewer
Chief Executive
Spirits New Zealand Inc
Email rbrewer@spiritsnz.org.nz

Submission

Below we answer the questions as put through the discussion document. Before doing this we make the following general comments.

1. We were pleased to note the desire to properly coordinate health research with other strategic documents and in particular the New Zealand Health Strategy (NZHS). We would remind the Ministry that Action 20 on page 46 of the Roadmap of Actions document accompanying the NZHS specifically addresses the strengthening of research capability and activity. We too have been interested in the relationship between funding, research topics and outputs and the impact of alcohol research on related health policy.
2. Late last year the sector commissioned an independent piece of work from NZIER looking at this area. The final report – *Alcohol Research Funding in New Zealand – Funding Landscape and Research Networks 2004 – 2014* finds, among other things, that there is room for improvement in the way alcohol research is organised and funded.
3. The report points out that alcohol research funding is unique in New Zealand in terms of including:
 - an industry levy partially used to fund research
 - a research agenda set in a highly centralised fashion
 - little industry and consumer consultation on research questions
 - limited transparency about what has been funded to what end.
4. The report's authors go on to say –

Alcohol research tends to be investigator-initiated and is not very strategic. This may be because none of the key players in research (funders and researchers) face the costs of alcohol levies. Consultation with industry or consumers who fund research through alcohol levies would bring greater scrutiny of the effectiveness of research.

And

Dedicated levy funding is contrary to sound public finance practice. Greater scrutiny is thus important to help offset the problem that levy funding reduces incentives to control spending – relative to spending programmes funded out of general taxation.

5. There are other comments about duplication of research effort and a lack of scrutiny on research approaches after funding is provided but needless to say we would be happy to meet to discuss the NZIER report in more detail. However we would like our comments and concerns above noted so as to help inform your deliberations about a more response, coordinated and effective health research system.

Response to Questions

1. *Does the proposed vision capture what you see as the desirable future state for health research in New Zealand by 2026?*

Yes. In particular we see the 2026 target for health research being a highly integrated, dynamic and adaptive health research system making a meaningful contribution to a smart health system and to social policy and practice most relevant.

We hope the intention through this statement is to ensure meaningful and achievable health-related goals from the New Zealand Health Strategy (and others) are used to inform the development of a dynamic and adaptive health research system

2. *Are there additional aspects that you think should be included in the vision?*

No.

3. *Does the proposed mission capture key contributions and roles that are needed to achieve the vision – if not, what do you think should be included?*

We would like to see more direct reference to cooperation with industry (as opposed to private research organisations) who is also investing in relevant research into health-related topics. For example we would bring to your attention that the alcohol industry represented by Spirits NZ, New Zealand Winegrowers and the Brewers' Association of Australia and New Zealand has jointly developed a harm minimisation programme called The Tomorrow Project. At the core of this project is a programme called *Cheers!*

Cheers! aims to understand the drivers that lead to excessive drinking and its associated negative outcomes and then address these through a range of activities and programmes. We invite the Ministry to view *Cheers!* online at www.cheers.org.nz.

The Tomorrow Project would be happy to share with the Ministry its research and thinking behind its approach to harm minimisation and to jointly seek ways of working together to promote a moderate drinking culture.

4. *Do these proposed guiding principles clearly state the operating principles and values that are needed to achieve change over the next 10 years?*

The guiding principles are sound but, as stated above, industry needs to be seen as a critical partner in developing the thinking and priorities that lead to more effective research outcomes. Alignment with the dictums developed in the NZHS will mean more direct collaboration with sector interests outside of private research organisations or other innovation enablers of research outcomes.

In particular the NZHS guiding principles 3, 7 and 8 are most relevant here. They are:

- 3. Collaborative health promotion and disease and injury prevention by all sectors
- 7. Active partnership with people and communities at all levels
- 8. Thinking beyond narrow definitions of health and collaborating with others to achieve wellbeing

5. *Do you think additional guiding principles are needed?*

No.

6. *Taken together, do you think the proposed vision, mission and guiding principles will set the framework for a more cohesive and connected health research and innovation system?*

Taking into account our comments above we do feel that the vision, mission and guiding principles set a positive framework for the future.

7. *What do you think should be the focus of the strategic priorities in the health research strategy?*

The example strategic priorities are a fair reflection of what is required to implement the review as you have outlined. We have nothing further to add in this regard.

8. *What do you think of the example strategic priorities?*

See above.

9. *What specific actions could help us achieve the strategic priorities you have identified?*

N/A

10. *How could health research best support the directions of the New Zealand Health Strategy 2016?*

The NZHS specifically mentions the need for better coordinated research to inform and support its outcomes. It is self-evident that health research of itself is required so that the NZHS is well informed and governments and officials can decide future funding, policy, regulatory and commercialisation outcomes on an evidenced-based approach.

11. *Where do the challenges and opportunities lie for health research in New Zealand?*

The key opportunity for health research lies in how better to cooperate with industry(s) so as to ensure our knowledge and expertise is available for use as appropriate. The key challenge in this approach is building the necessary trust and understanding so that joint effort assists in achieving agreed outcomes.

12. How can we build a more cohesive and connected system?

From an alcohol industry perspective there are already some good models that exist within government that enables us to have more meaningful dialogue and interaction on issues of relevance. In particular, post the passage of the Sale and Supply of Alcohol Act 2012 the Health Promotion Agency established a very successful industry reference group. This group meets formally every two months to discuss implementation issues associated with the new Act. This model could be replicated to include research activity across the commercial sector. In this regard Business New Zealand would be well placed to coordinate such a group.

13. In what areas could health research in New Zealand make the greatest difference to the health and wellbeing of all New Zealanders over the short term and into the longer term?

From an alcohol sector perspective the continued drive to change the behaviours that underpin harmful consumption and to create a moderate drinking culture remain the key priority areas. Such an outcome would have a wide ranging impact on the health and wellbeing of New Zealanders, the amount spent on the management of negative health outcomes and a commensurate reduction in related NCDs.

The continued focus on research to understand the younger consumers' behaviour trends would be invaluable. All key harm measures for this cohort are improving but to maintain this obvious momentum needs a dedicated research programme to understand what the modifiers are influencing this behaviour change.

Questions 14 – 16 are broadly asking how best to improve the focus, understanding and uptake of research which we believe we have addressed above with our comments about developing a much closer relationship with the private sector outside of a relationship with private research institutions. This is most easily achieved through the association structures all key sectors have in place.

In Summary

6. Spirits NZ supports the review and development of a health research strategy to support the outcomes of, in particular, the NZHS.
7. We believe that industry needs to be more involved and consulted on the creation of such a strategy and, from an spirits industry perspective, reference the NZIER report *Alcohol Research Funding in New Zealand – Funding Landscape and Research Networks 2004 – 2014* in support of this.