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Parliament Buildings  
Wellington

Tēnā koe

## **Sale and Supply of Alcohol (Improving Alcohol Regulation) Amendment Bill 2026**

Toi Mata Hauora | the Association of Salaried Medical Specialists (ASMS) is the union and professional association of salaried senior doctors and dentists. We were formed in April 1989 to advocate and promote the industrial and professional interests of our members. We have more than 6,000 members across Manatū Hauora | Ministry of Health, Te Whatu Ora | Health New Zealand, the Accident Compensation Corporation, and many other smaller healthcare providers.

### **Position**

This submission opposes the Sale and Supply of Alcohol (Improving Alcohol Regulation) Amendment Bill 2026. The Bill is presented as a technical tidy-up, but in substance it is a transfer of regulatory advantage to the alcohol industry at the expense of communities, public health, and democratic participation in licensing. It expands the availability of Aotearoa’s most harmful drug, narrows democratic participation in licensing, and reverses progressive reforms. The Bill’s beneficiaries are the alcohol industry, and its costs will be borne by communities, the health and justice systems, and marginalised groups. Although each change is described as negligible, taken together, they unpick already weak protections and embed the presence of alcohol more deeply in everyday life.

The Ministry of Justice, in their Regulatory Impact Statement, expressed a differing policy direction from the Associate Minister and was overruled. Officials’ preferred package, designed to reduce violent crime and harm, was narrowed by ministerial decision into one focused on “removing unnecessary regulatory barriers.”<sup>1</sup> They also note that constraints on their work programme, with other policy interventions, including evidence-based restrictions on advertising, taxation, and licensing amendments, being excluded through the narrowing of scope. The Bill before the Committee is the result of that narrowing, poor consultation, and deliberate shift away from evidence and official advice.

### **Lack of Evidence Basis**

According to the Regulatory Impact Statement, the alcohol industry adds \$1.92 billion to GDP and \$1.819 billion in excise tax and GST while employing approximately 10,000 people.<sup>2</sup> However, this is counterpointed by a “total societal cost of alcohol harms in 2023 [of] approximately \$9.1 billion based on

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<sup>1</sup> *Regulatory Impact Statement: Improving Alcohol Regulation to Support Economic Growth* (Ministry of Justice Tāhū o te Ture, 2025).

<sup>2</sup> *Regulatory Impact Statement: Improving Alcohol Regulation to Support Economic Growth*.

the increased risk of morbidity and mortality, with over half (\$4.8 billion) due to fetal alcohol spectrum disorder (FASD), \$1.2 billion due to alcohol use disorder, and \$3.1 billion due to non-disordered alcohol use.”<sup>3</sup> Other key areas of cost include \$281 million associated with intimate partner and domestic violence linked to alcohol use disorder, \$2 billion linked to road crashes, and \$4 billion linked to lost productivity.<sup>4</sup>

Additionally, alcohol causes approximately 900 deaths, 1,250 cancers, 30,000 hospitalisations, and 130,000 ACC claims per year.<sup>5</sup> 16.6 percent of adult drinkers consume hazardously, and 11 percent of emergency department presentations are alcohol-related.<sup>6</sup> These results are unambiguous. Alcohol has a net negative impact on Aotearoa’s economy and society. The Bill’s framing of regulation as a brake on “growth” inverts the evidence: the most cost-effective policy direction is more regulation, not less.

The Justice Ministry’s own modelling indicated that reducing off-licence trading hours by 1 hour would prevent approximately 1,200 instances of violent crime victimisation annually. While the Ministry preferred Option 3, which included harm-reduction measures of this kind, the Associate Minister overruled it in favour of Option 2, focusing on regulatory burden.<sup>7</sup> The Bill reflects a political choice rather than an evidence-based one.

## Inadequate Consultation

The Regulatory Impact Statement states that “timing constraints have meant the Ministry has not yet consulted the public, public health advocates, district licensing committees, or industry”, and that the analysis has been backfilled from previous engagement “where possible”.<sup>8</sup>

The Ministry also acknowledges that ministerial decisions in 2024 and 2025 progressively narrowed the analytical scope, resulting in the exclusion of interventions known to be more effective at reducing harm, including minimum unit pricing, density caps, and advertising restrictions, from the analysis. The Associate Minister directed the focus to be on reducing the regulatory burden, despite the Ministry conceding that “some actions (for example, reducing the number and density of licensed premises) would have a larger impact on reducing harm than the options included”.<sup>9</sup> Without consultation with communities and health professionals, the Bill will have both foreseeable and unforeseeable consequences for public health, communities, and public finances.

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<sup>3</sup> Sarah Hogan et al., *Costs of Alcohol Harms in New Zealand: Updating the Evidence with Recent Research* (New Zealand Institute of Economic Research, 2024).

<sup>4</sup> Hogan et al., *Costs of Alcohol Harms in New Zealand: Updating the Evidence with Recent Research*.

<sup>5</sup> Tim Chambers et al., *Estimated Alcohol-Attributable Health Burden in Aotearoa New Zealand* (Health New Zealand, 2024), 8373402 Bytes, 8373402 Bytes, <https://doi.org/10.60967/HEALTHNZ.27048892>.

<sup>6</sup> ‘Annual Update of Key Results 2024/25: New Zealand Health Survey’, Ministry of Health NZ, Ministry of Health NZ, 18 November 2025, <https://www.health.govt.nz/publications/annual-update-of-key-results-202425-new-zealand-health-survey>; Laura Joyce et al., ‘Changes in Alcohol-Related Emergency Department Presentations—a Comparison of Three Waves in 2013, 2017 and 2022’, *New Zealand Medical Journal* 137, no. 1593 (2024): 56–67, <https://doi.org/10.26635/6965.6375>.

<sup>7</sup> *Regulatory Impact Statement: Improving Alcohol Regulation to Support Economic Growth*.

<sup>8</sup> *Regulatory Impact Statement: Improving Alcohol Regulation to Support Economic Growth*.

<sup>9</sup> *Regulatory Impact Statement: Improving Alcohol Regulation to Support Economic Growth*.

## Restrictions on Objections to Licensing Applications

The Bill confines objections to a licence application or renewal to residents or workers within the relevant district licensing committee or within one kilometre of the proposed premise.

Alcohol harm does not respect district licensing committee boundaries. The harm produced by the alcohol supplied by a single off-licence, such as drink-driving, family violence, public disorder, and downstream health-system costs, radiates well beyond one kilometre. Already strained public entities that address the results of alcohol use, such as ACC, Te Whatu Ora, the Police, and the courts, service the whole country, not the immediate vicinity of off-licences.

Alcohol harm is often concentrated in communities with less of a capacity to organise formal objections, whether due to higher deprivation, transient populations, lack of resourcing, or otherwise. National organisations, including health coalitions, public health bodies, or Medical Officers of Health, have historically supported and amplified the voices of these marginalised populations. The justification offered, that out-of-area objections are “vexatious” or ideological, is unsupported. Many objections come from public health bodies, researchers, and professionals whose expertise lies precisely in the evidence linking off-license density to harm.<sup>10</sup> Treating that expertise as illegitimate interference is not empowering communities but the silencing of inconvenient knowledge.

Currently, only 0.4 percent of licence applications are declined, and 4.5 percent are objected to.<sup>11</sup> Narrowing the criteria for objections is a solution to a problem that does not exist.

## Allowing Licence Applicants a Right of Reply to Objectors

The Bill restores a licence applicant’s ability to respond to objectors. The 2023 reforms removed the applicant’s right of cross-examination because the power imbalance between businesses and volunteer residents was being used to deter participation.<sup>12</sup> Reinstating the right of reply, in whatever form, restores that imbalance. An applicant in a licensing hearing typically has commercial incentives, a dedicated budget to meet process costs, legal representation, and prior experience with the process. An objector typically does not. This creates a procedural asymmetry between parties.

## Requiring District Licensing Committees to Change Licensing Conditions, rather than Decline a Renewal Application

Declining renewal is the strongest tool a District Licensing Committee possesses. It is the moment at which a Licensing Committee action a community decision that there are too many outlets in a given location. Replacing refusal with renewal on altered terms changes the question from “should these premises operate here?” to “on what terms does it keep operating?” The assumption of continuity is built into the procedure.

This matters most where a Local Alcohol Policy has set density caps. While conditions can adjust hours or signage, they cannot reduce the number of outlets. If a Local Alcohol Policy cannot decline renewals,

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<sup>10</sup> ‘What the Proposed Alcohol Law Changes Actually Mean for Whānau’, *Hāpai Te Hauora*, 18 March 2026, <https://hapai.co.nz/what-the-proposed-alcohol-law-changes-actually-mean-for-whanau/>.

<sup>11</sup> Sarah Sneyd et al., *Unpicking Alcohol Protections: New Bill Set to Increase Harm and Reduce Public Voice* (Public Health Communication Centre Aotearoa, 2026).

<sup>12</sup> *Select Committee Report: Sale and Supply of Alcohol (Community Participation) Amendment Bill* (Justice Committee, 2023).

density caps become aspirational rather than operative. The provision functionally entrenches the existing distribution and number of licences despite community decision-making.<sup>13</sup>

### **Allowing Restaurants to Apply for an Off-licence in Addition to an On-licence**

The Bill allows restaurants that prepare and sell food products from retail sites on the same premises to apply for an off-licence in addition to an on-licence. The establishment of dual licensing for restaurants will widen the availability of alcohol in the community. Outlet density will rise not from the construction of new bottle stores and the associated oversight, but from the conversion of existing premises. Aotearoa currently has approximately 8,174 on-licences and 3,914 off-licences. The Bill will increase the latter without notice or new applications.<sup>14</sup>

Retail NZ has opposed the change on the grounds that the issue is marginal and that the proposal risks “creating unintended consequences, regulatory confusion and increased alcohol availability without clear evidence of benefit”.<sup>15</sup> Meanwhile, Alcohol Healthwatch notes that the most effective option is no change. However, if change is unavoidable, the changes should be narrowly defined rather than applied to all restaurants. However, even with a narrow definition, restaurants will be incentivised to restructure their operations to qualify.<sup>16</sup>

### **Allowing Clubs to Hold Either a Club Licence or an On-licence**

The Bill permits clubs to hold either a club licence or an on-licence. A club licence creates a drinking environment limited to members with social accountability between participants. An on-licence removes those constraints and, in effect, creates a bar where there would otherwise not be a public drinking venue. The transition is achieved by changing the licence category rather than by applying for new premises, sidestepping the scrutiny a new on-licence would attract.

Many clubs are rural, and many lack public transport links, taxis, or rideshare options, raising the risk of drink-driving. Additionally, clubs’ ability to sell alcohol at lower prices creates an additional risk of excessive consumption and a greater likelihood of harm.<sup>17</sup> Both of these will increase pressure on already struggling healthcare providers and public services, especially in rural communities.

### **Zero-Alcohol Display in Supermarkets**

The Bill authorises licensed supermarkets and grocery stores to display and promote zero-alcohol spirits, liqueurs, and ready-to-drink mixed beverages in a single designated area. The Ministry for Regulation determined that this proposal is exempt from regulatory impact analysis on the basis that it has “only minor economic, social, or environmental impacts.”<sup>18</sup> That conclusion is unconvincing.

As noted by Camilla Belich during the first reading of the Bill, zero-alcohol products are branded identically, or near-identically, to their full-strength counterparts. A wall of “Heineken 0.0” or “Gordon’s

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<sup>13</sup> Sneyd et al., *Unpicking Alcohol Protections: New Bill Set to Increase Harm and Reduce Public Voice*.

<sup>14</sup> Sneyd et al., *Unpicking Alcohol Protections: New Bill Set to Increase Harm and Reduce Public Voice*.

<sup>15</sup> *Regulatory Impact Statement: Improving Alcohol Regulation - Further Proposals for Off- and Club Licences* (Ministry of Justice Tāhū o te Ture, 2025).

<sup>16</sup> *Regulatory Impact Statement: Improving Alcohol Regulation - Further Proposals for Off- and Club Licences*.

<sup>17</sup> *Regulatory Impact Statement: Improving Alcohol Regulation - Further Proposals for Off- and Club Licences*.

<sup>18</sup> *Departmental Disclosure Statement: Ale and Supply of Alcohol (Improving Alcohol Regulation) Amendment Bill* (Ministry of Justice Tāhū o te Ture, 2026).

0.0%” in a supermarket is also, in practical effect, an advertisement for Heineken and Gordon’s. The manufacturer’s intent is brand exposure, and the zero-alcohol formulation is the means to achieve it.

The provision authorises the promotional display of an alcohol brand's identity in retail environments where the alcoholic product itself was previously not visible. It will be seen by children, by people managing dependence, and by everybody else walking through a supermarket. Children already see alcohol marketing on average 4.5 times daily, and tamariki Māori are exposed five times more frequently than Pākehā children.<sup>19</sup> Combined with the dual-licensing of restaurants and the conversion of clubs, it contributes to the cumulative normalisation of alcohol, a recognised driver of consumption and harm.

## Conclusion

Independent polling commissioned by Health Coalition Aotearoa and the Cancer Society shows majority support for stronger, not weaker, regulation of alcohol availability, affordability, and advertising.<sup>20</sup> Their research gives the government a mandate to focus on health, safety, and equity, not on “removing unnecessary regulatory barriers.”<sup>21</sup> The current barriers are not accidental, but exist because of the alcohol’s harms.

The Bill's technical framing obscures its real effect, restructuring the licensing regime in the industry's favour, weakening the community voice, public health safeguards, and democratic accountability that alcohol regulation is meant to secure. It has been developed without adequate consultation, against the Ministry’s own preferred option, and on a framing of “growth” that the government’s own commissioned evidence contradicts.

Toi Mata Hauora recommends that the Select Committee decline to progress the Sale and Supply of Alcohol (Improving Alcohol Regulation) Amendment Bill 2026.

To discuss this submission further, please get in touch with James Roberts, Policy and Research Advisor, via [james@asms.org.nz](mailto:james@asms.org.nz)

Nāku noa, nā



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<sup>19</sup> Emma Shields et al., *New Zealanders Strongly Support Policies to Curb Alcohol Harm – Will Government Listen?* (Public Health Communication Centre Aotearoa, 2025).

<sup>20</sup> Shields et al., *New Zealanders Strongly Support Policies to Curb Alcohol Harm – Will Government Listen?*

<sup>21</sup> *Regulatory Impact Statement: Improving Alcohol Regulation to Support Economic Growth.*