

17 June 2024

Director Strategy and Research
Online Safety, Media and Platforms Division
GPO Box 594
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To the Director of Strategy and Research,

Re: Statutory Review of the *Online Safety Act 2021*

The Alcohol and Drug Foundation (ADF) welcomes the opportunity to contribute to this statutory review of the *Online Safety Act 2021*. The ADF delivers evidence-based approaches to minimise alcohol and other drug harm. We recognise the power of strong communities and the important role they play in preventing problems occurring in the first place. A community-centric approach is at the heart of everything we do.

The rise of digital technologies has brought many benefits to our society, including social connectivity, access to learning opportunities, and flexible working arrangements. However, digital platforms have also enabled harmful marketing for unhealthy products like alcohol. Alcohol takes a significant toll on our communities, causing violence, injuries and deaths. In 2022, there were 1,742 alcohol-induced deaths in Australia, an increase of 9.1% from 2021.¹ Alcohol use is also linked to over 200 disease and injury conditions and causes at least seven types of cancer.²

Alcohol has broad impacts in the community, with almost half of Australians having been harmed by another person's alcohol use.³ Research has established a clear association between alcohol and the frequency and severity of family violence, in which alcohol plays an exacerbating role.⁴⁻⁶ Between 23 per cent and 65 per cent of police-reported family violence incidents in Australia are estimated to involve alcohol.⁶ The growth in online sales and rapid delivery of alcohol plays a role in escalating harm, as it facilitates easy access to alcohol late at night, when evidence shows assaults in the home are more likely to occur. Alcohol-related assaults increase substantially between 6pm and 3am, with 37 per cent of alcohol fuelled assaults occurring in the home and more than half (57%) of those being family violence.⁷

The lack of standards for how harmful products like alcohol are marketed on online services is a pressing concern that must be addressed. There is also a distinct lack of transparency regarding how digital

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platforms collect and use information gathered from users, which has resulted in alcohol products being marketed towards children with no repercussions for these industries. Action is urgently needed to ensure the safety of Australians against harmful product marketing online, particularly children and young people.

The role of algorithms in promoting alcohol online

The expansion of digital platforms has given the alcohol industry the opportunity to market products in highly targeted, time-relevant, and interactive ways, which has only amplified the negative impact of alcohol use in Australia. Algorithms developed by digital platforms allow the industry to target people who drink at higher levels as well as new consumers in a range of markets and demographics, including children and young people.

Digital marketing utilises extensive amounts of personal data to profile and target people's demographic, psychosocial and behavioural characteristics. This enables the alcohol industry to exploit people's predispositions and susceptibilities, meaning that people who are most at risk of harm are targeted the most. The review of the *Online Safety Act 2021* presents an opportunity for the federal government to explore measures to control alcohol marketing in online spaces, including on digital platforms and social media, to inform future policy approaches.

During the COVID-19 pandemic, the alcohol industry used digital platforms to aggressively promote rapid delivery services and drinking at home, exacerbating vulnerabilities already caused by the pandemic. The lack of transparency and visibility in online marketing makes it difficult to gauge the full extent of its negative impact. There is little public accountability for how individuals' data is used, or how it may be being used to target specific consumers, including children. Advertisements are ephemeral and may only be seen by those being targeted meaning that enforcement of existing regulation is made incredibly difficult if not impossible.⁸ Leaked information from digital platform corporations has shown that children have been profiled and tagged as 'interested' in harmful products including gambling and alcohol.^{9, 10} Recent Australian research suggests that young people are encountering alcohol advertisements on social media as often as every three minutes.¹¹

Harms from online alcohol advertising

This is of significant concern as research has shown that young people's exposure to alcohol marketing online is linked to increased alcohol use, and that the constant flow of pro-alcohol messages is challenging for those trying to reduce or stop their use of unhealthy products.¹² Through the promotion of positive expectancies around alcohol and the view that alcohol use is more normative, exposure to alcohol advertising can increase consumption and lead to earlier initiation of drinking among young people.¹³

Research has also shown that the current algorithmic models used for digital marketing can cause significant harm, particularly when targeting vulnerable populations, such as people who drink at risky levels. A recent survey by Foundation for Alcohol Research and Education (FARE) and VicHealth found that over 90% of participants were concerned about online marketing for products they are trying to reduce, and 83% felt that seeing marketing for these products makes it harder for them to reduce their use or consumption.¹⁴

The need for stronger regulation of online alcohol advertising

There is widespread community support for greater restrictions on alcohol advertising. The latest National Drug Strategy Household Survey (NDSHS) found that 67% of Australians support limiting alcohol advertising online and on social media.¹⁵ The existing regulatory system which relies largely on voluntary, industry-managed codes and practices, has proven to be ineffective in protecting the community from the negative impact of unhealthy marketing. The industry's clear conflict of interest means that the industry-led processes will never restrict alcohol marketing in a genuinely effective manner. Existing codes do not adequately restrict alcohol companies from marketing on digital platforms that are heavily used by children, and as mentioned previously, there are concerning examples of alcohol advertising directed to children online. The limited provisions that do exist are poorly adhered to, demonstrating a clear need for effective monitoring and compliance mechanisms.

The ADF therefore recommends that the Australian Government expand the scope of online harms addressed by the *Online Safety Act 2021* to include harmful online advertising and regulate harmful product advertising under a new scheme in the Act. This scheme should introduce a comprehensive legislative framework which establishes mandatory compliance as well as effective administration, surveillance and deterrence systems for infringements. This includes prohibiting the collection, use and disclosure of personal information for commercial marketing purposes unless a person has provided active, informed, voluntary and non-incentivised opt-in consent. To ensure that online services accessed by children are free from harmful product advertising, the scheme should include specific provisions which prohibit the tracking, profiling, monitoring or targeting of children for commercial purposes, particularly for use by companies selling harmful products.

Additionally, online services should be required to ensure all harmful online advertising carries clear evidence-based warnings about the product. There is an abundance of evidence to show that health warnings increase people's understanding of the risks from harmful and addictive products like tobacco and alcohol.^{16, 17} Health labels on alcohol products are a well-established norm and since March 2023, online betting services are required to include taglines in their advertising which warns individuals about the risks and harms from gambling.^{18, 19} This is essential to ensure that people have access to clear information about the products being promoted to them online.

The ADF appreciates the opportunity to contribute to this important review and would be happy to provide any additional information or clarification as needed.

Sincerely,



Dr Erin Lalor

CEO

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