

# JOB battle brewing as booze ads ban looms

■ Government plans are rolling

Donwald Pressly

THE GOVERNMENT has set up a high-powered task team of top officials to investigate ways of regulating the alcohol producing industry.

This comes as pressure is mounting from some departments for a ban on all alcohol advertising, with others seeking limitations on sponsorship, sales hours and opportunities and a raising of the alcohol purchasing age from 18 to 21.

An outright advertising ban – heavily supported by Health Minister Aaron Motsoaledi and Social Development Minister Bathabile Dlamini – would cost the industry about R2.6 billion a year with mass media revenue cut by about R1.8bn. for above-the-line advertising, according to marketing and media analyst Chris Moerdyk.

But Motsoaledi has come out fighting, describing his department's campaign as being "at war" with alcohol in a *Special Assignment* programme last week. He said the next step "is to introduce legislation to control the harmful effects of alcohol, including the banning

of alcohol advertising".

This followed on his parliamentary budget vote speech in which he said: "The need for targeting tobacco and alcohol has already been outlined and no matter how many financially powerful people and institutions make noise about it, I can stake my life on it... we are going to fight with our bare knuckles to achieve this, particularly a ban on advertising of tobacco and alcohol. It's a point of no return and the sooner the tobacco and alcohol industry understand this, the better."

Last December Dlamini said drastic legislation was needed to combat alcohol abuse. She hinted at the time that it could include a ban on alcohol advertising, a moratorium on new liquor licences and making drinking before driving illegal.

Social Development Department chief director Connie Nxumalo sketched the history of proposed restrictions on the liquor industry.

She said a summit on alcohol and drug abuse had been held in Durban in March – which included provincial governments, the national govern-

ment, trade unions and the central drug authority – and had passed resolutions which included a proposal to ban the sponsorship of 'booze brands at sports, arts and cultural events.

A technical team from her department, with 10 other government departments including Trade and Industry (dti), Higher and Basic Education and Transport was drawing up policy proposals on ways "to harmonise laws and policies for effective governance of liquor" with the emphasis on restricting the accessibility to liquor, and cutting of trading hours. A draft report had been circulated in an inter-ministerial committee and it was still to be placed before the cabinet.

Nxumalo did not think that new legislation or regulations would be ready before next year, but there were some "quick fix" proposals which might be ready by early next year. The dti was reviewing the regulations applying to the industry, looking at managing liquor outlets and their hours of operation.

Industry Association for Responsible Alcohol Use

spokesman Adrian Botha said no convincing evidence existed that banning advertising reduced consumption.

Moerdyk said brand leaders would in fact benefit from an advertising ban by increasing market share "at the expense of lesser-placed brands".

He put the potential loss of jobs through a ban at 2 500 lower-earner employers mainly in the print and out-of-home sectors, "as well as sports marketing and management companies". He added there would be an estimated R280 million value-added tax revenue loss to the fiscus. "Loss of above-the-line advertising revenue for mass media would be R1bn," Moerdyk said. He added there would be a "deliberious impact on the SABC", which would lose about R400m a year in revenue. DSTV and e.tv would lose about R500m.

The balance would be lost by radio stations, lifestyle magazines and newspapers. The loss of revenue including sponsorship, sports development leveraging, events and below-the-line activities would be about R2.6bn. *Business Watch*, page 14



Plans are afoot to ban advertising of alcohol products like this one in Braamfontein.

PHOTO: LEON NICHOLAS

## Advertising staff in the firing line

EMPLOYEES in traditional advertising agencies are the most likely to lose their jobs if the government passes the mooted ban on alcohol advertising, according to marketing analyst Thebe Ikalafeng.

Ikalafeng said yesterday adspend would shift from traditional advertising such as print, broadcast and billboard advertising to below-the-line or influencer-driven marketing strategies as they were a more covert form of advertising.

"The biggest casualty of it will be the development of South African sports. All the big federations depend on SAB for sponsorship," Ikalafeng said, mentioning cricket and rugby.

"Perhaps as much as R500 million is spent on sport."

According to a study on worldwide alcohol consumption published recently by the World Health Organisation, Moldova, a landlocked country in eastern Europe between Romania and Ukraine, has the highest recorded and unrecorded alco-

### Top 10

1) Moldova	18.22
2) Czech Republic	16.45
3) Hungary	16.27
4) Russia	15.76
5) Ukraine	15.60
6) Estonia	15.57
7) Andorra	15.48
8) Romania	15.30
9) Slovenia	15.17
10) Belarus	15.13

56) South Africa	9.46
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### Bottom 10

173) Jordan	0.71
174) Senegal	0.60
175) Indonesia	0.59
176) Myanmar	0.57
177) Bhutan	0.55
178) United Arab Emirates	0.54
179) Afghanistan	0.50
180) Egypt	0.37
181) Guinea	0.36
182) Niger	0.34

Source: World Health Organisation

hol consumption among adults 15 years and older in litres per capita in the world (18.22). South Africans consume 9.46 litres per capita in total.

Ikalafeng said: "There's always going to be different ways to skin a cat. If you look at cigarette advertising, they've created other avenues of advertising. Government shouldn't be advocating for eradicating alcohol advertising, but should be advocating for responsible communication of advertising alcohol."

According to market research company Nielsen, in the past year to April, the aggregated adspend across media types was R34.7 billion. The biggest advertiser was Unilever, which spent R1.69bn, Shoprite Holdings spent R1.38bn and SAB-Miller R698 million.

Between the biggest three alcohol companies in South Africa – Distell, Brandhouse and SABMiller – they spent about R1.3bn on advertising in the year to April. – Asha Speckman