



Submission: Buy-Now, Pay-Later: Understanding the triggers of financial hardship and possible options to address them

The Cancer Society of New Zealand (NZ) is a non-profit organisation which aims to minimise the incidence, impact and inequities of cancer on those living in Aotearoa, New Zealand. We work across the cancer continuum including health promotion, supportive care, provision of information and resources, and funding of research. Cancer is New Zealand's single biggest cause of death.

Thank you for the opportunity to respond to the Ministry of Business Innovation and Employment, policy options to regulate the new and emerging Buy-Now, Pay-Later (BNPL) sector with the interest of people experiencing financial hardship in mind. The Cancer Society of NZ is providing comment particularly about BNPL for use with alcohol products, as a key preventable cause of cancer affecting Māori and Pacific people inequitably.

For any further queries on our submission, please contact:

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Alcohol and Cancer risk in Aotearoa New Zealand

Alcohol is a Group 1 carcinogen (like tobacco). Alcohol (ethanol) increases the risk of at least seven types of cancer including cancers of the mouth, pharynx (throat), larynx (voice box), oesophagus, bowel, liver and breast (in women)ⁱ. The high energy content (kilojoules or calories) of alcohol can also increase the risk of 12-13 weight-related-cancers. The World Cancer Research Fund recommends for cancer prevention, 'it is best not to drink alcohol'ⁱⁱ.

Drinking any amount of alcohol, even low levels, can cause cancer. However, the level of cancer risk increases with the level of alcohol consumption and the heaviest drinkers are most at riskⁱⁱⁱ.

Alcohol products contribute to 1 in 25 adult cancer deaths in those less than 80 years of age in Aotearoa^{iv}. Breast cancer comprises over 60% of alcohol-attributable deaths for both Māori and non-Māori women and is the leading cause of death from alcohol among New Zealand women. In 2007, 4.2% of all cancer deaths in people aged 15-79 years in Aotearoa were due to alcohol use^v.

Inequities in alcohol attributable cancer

In Aotearoa four out of five adults drink alcohol and almost one in five consume alcohol in a way that could harm themselves or others^{vi}. Māori and Pacific males, youth and low socioeconomic communities are disproportionately impacted by hazardous drinking and alcohol-related harm^{vii}. Māori are also disproportionately affected by alcohol-attributable cancer with Māori 2.5 times more likely to die than non-Māori and suffering a greater average loss of healthy life^{viii}. Despite this many New Zealanders are not aware of the risk alcohol plays in developing some cancers^{ix}.

Our alcohol environment

Our daily personal choices are heavily shaped by the environments in which we live. Readily available, affordable and widely promoted alcohol has normalised and glamourised its use in our neighbourhoods and more so in low-income areas^{xixiii}. The low price and increasing affordability alcohol is a key driver of alcohol consumption in New Zealand^{xiii}. Greater alcohol availability through easier affordability can lead to greater alcohol consumption and harm^{xiv}.

The Cancer Society NZ believes BNPL has the potential to increase the convenience of purchasing alcohol and perceived affordability especially for lower socioeconomic communities. This could fuel the already unacceptably high and inequitable alcohol use and cancer rates in Aotearoa. The Cancer Society Position statement on [Alcohol and Cancer](#) recommends limiting alcohol affordability as a key opportunity to prioritise Te Tiriti principles and reduce whānau loss of life from cancer^{xv}.

Key Recommendations

1. Cancer Society NZ acknowledges some benefits of BNPL for the provision of low-cost, no interest/fee payment alternative to credit cards payments. However, we support the views of the financial mentoring sector that BNPL could also pose increased financial harms especially for already vulnerable consumers.

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2. We are particularly concerned about BNPL services for the use of purchasing alcohol (online or in-store), as a key risk factor for cancer. We see BNPL has the potential to drive consumer desire and impulse purchasing of alcohol through its greater accessibility and perceived affordability.
3. The price of alcohol and its affordability are well-known drivers of alcohol consumption in Aotearoa and vulnerable drinkers are at an especially high risk when alcohol products are perceived to be at a lower cost (as they would be using BNPL services).
4. Research shows cheap alcohol is more likely to be purchased by people who experience the most serious harms from alcohol, including those who drink hazardously, on low incomes and Pasifika and Māori ^{xvi}.
5. Alcohol should not be considered an ordinary retail product. Alcohol is a Group 1 carcinogen (like tobacco and asbestos) ^{xvii}. BNPL may not only increase financial burdens but also social and health burdens such as cancer.
6. Whilst few bottle stores are currently using BNPL services and rapid online alcohol delivery, there is potential for this to change and grow along with increasing the harms of alcohol such as cancer.
7. Reducing the economic accessibility to alcohol could reduce the likelihood that New Zealanders transition to heavier drinking and therefore limiting long-term suffering of whānau from cancer.
8. Restrictions to alcohol accessibility, affordability and marketing are key evidence-based effective measures recommended to reduce alcohol-attributable harm such as cancer.

Cancer Society NZ believes that alcohol retailers should not be allowed to offer BNPL services as an alternative payment method.

Cancer Society recommends putting the health of New Zealanders before industry profit. This will necessitate putting in place a set of robust regulations that protect consumers from both financial hardship and cancer risk through limiting the affordability and accessibility of alcohol. The Cancer Society NZ recommends:

- Alcohol products be excluded from any BNPL services or other unregulated credit-like services.
- Option Three, to Apply the Credit and Consumer Finance Act 2003 to regulate the BNPL sector.
- A public inquiry into the online promotion, sale and delivery of alcohol.

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