

PUBLIC HEALTH ASSOCIATION OF AUSTRALIA
MEDIA RELEASE

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24 February 2009



INDUSTRY REPORT ON ALCOPOPS TAX IMPACT FLAWED

The Public Health Association of Australia (PHAA) has strongly criticised the alcohol industry for its flawed claims in arguing that the alcopops tax has not reduced risky drinking by young people. An industry-commissioned Access Economics report released today admits that “firm conclusions were not able to be drawn”.

“The alcohol industry is seeking to influence key Senators in the wake of the Government’s introduction of the alcopops legislation this month. However, even their own report acknowledges that the impact of the tax change on levels of binge drinking by young people cannot be determined at this early stage, and is based on analyses that are full of holes,” said Michael Moore, CEO of the PHAA

“It is extraordinary to draw conclusions in this complex area from very limited data based on one, two or three months’ experience. It is even more extraordinary that the report appears to base most of its conclusions on: i) the ICD F10 category, which is primarily about alcohol dependence and abuse when the most common causes of alcohol-related harm in this age group are injuries such as assault, falls and road injuries, and ii) ED data which are not alcohol-specific. There is also not even an attempt to use any control group.

“The key issues are that according to the ATO, sales of alcopops have reduced by 35% and spirits overall by 8%; sales of other products have not increased to anything like the same extent; and the whole strategy needs a careful, long-term analysis, not conclusions based on data even the industry’s own report conceded are insufficient.

“In addition, the data highlighted in the report precedes the introduction of key complementary elements of the Australian Government’s National Binge Drinking Strategy. The alcopops tax is only one small part of a broader approach including a whole range of measures designed to have an impact on drinking behaviours over time. Pretending to assess the impact of the alcopops tax over a couple of months and before the introduction of key complementary measures is pointless. This new report is consistent with the approach that PHAA identified in July 2008 where the industry has been distorting statistics as part of their lobbying campaign, while continuing to promote their products heavily.

“1 in 4 hospitalisations of young people aged 15-24 happen because of alcohol, with 70 Australians under 25 being hospitalised because of alcohol-caused assault alone in an average week. The Australian Government should be congratulated for taking some tough decisions to try to reverse these statistics. We have learnt from tobacco that comprehensive programs incorporating tax measures will have a substantial impact over time.

“A Newspoll survey commissioned by the Heart Foundation, Cancer Council, PHAA and Action on Smoking and Health late last year indicated that Australians would overwhelmingly support increased alcopops and tobacco tax if funds raised were used for preventive health programs. 84% of respondents indicated support for the alcopops tax if most of the revenue was used to fund preventive health programs and 57% still supported the alcopops tax irrespective of how the revenue was used. PHAA will continue to support the alcopops tax as long as it is complemented by preventive measures such as controls on alcohol promotion and re-investment of some of the revenue raised into major public education programs. We hope Senators will not be hoodwinked by the manipulation of statistics and other desperate attempts by industry groups to secure their profits at the expense of young Australians,” said Mr Moore.

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