

Time for alcohol industry to kick in: National Council

Time for alcohol industry to kick in: National Council



The Australian National Council on Drugs (ANCD) has very cautiously welcomed the establishment of an independent alcohol Foundation to address alcohol related harm. The Council is particularly pleased that the Government and the Democrats have agreed to the Council's previous recommendation on the need for a community fund to address alcohol related harm, but has also expressed some concern.

Chairman of the ANCD, Major Brian Watters, said "The good news is that there will be more money to address alcohol related problems in the Australian community. The bad news is that there are likely to be more alcohol problems because of the reduction in full strength draught beer prices."

Professor Margaret Hamilton added, "The price sensitivity of alcohol is well documented and there is no doubt that the flow on effect of cheaper beer will be increased consumption. The ANCD is well aware that high consumption of draught beer is associated with increased levels of violence, crime, road accidents, and other alcohol related problems, particularly in rural communities."

Both Prof Hamilton and Major Watters supported the increased price differential for draught low alcohol beer.

Major Watters also suggested "The Council has been advising for some time on the need for a review of alcohol taxation policy. This agreement once again highlights the complexity of the issues related to alcohol taxation and public health. For instance, will this new excise arrangement create incentives for alcohol producers to develop a variety of alcohol beverages in draught form (Bundy and coke on tap). Given the need to properly investigate such issues, the ANCD repeats its earlier call for a comprehensive review of all taxes relating to alcohol and urges widespread consultation in this review from the independent bodies involved in the debate."

Mr Gino Vumbaca, Executive Officer for the ANCD concluded, "In regard to the Foundation itself, the Council has supported the intention to include a broad representation of sectors working to address the problems created by alcohol. The Council has noted that the alcohol industry will not be represented on the membership of the Foundation, and this is appropriate given that they are yet to contribute any funds from their substantial profits to the Foundation. The funding for this Foundation clearly comes from tax payers, not industry, and the Council once again calls on the alcohol industry to match the contributions of their patrons. A commitment of this nature would allow the Foundation to operate well beyond its proposed initial four year term."

4 April 2001

For further information, please contact:

Professor Margaret Hamilton, Executive Member

Pager: 03 9256 6165

Mr David Crosbie, ANCD Member

0419 624 420

Mr Gino Vumbaca, Executive Officer

0408 244 552