



New data exposes massive hike in overall spirits sales post RTD tax change

The complete failure of the controversial RTD tax trial has been exposed, with latest data revealing that an extra 21 million standard spirit drinks – or 266,000 litres of alcohol – were sold *following* the introduction of the 70% tax hike on Ready-to-Drink products.

The just released Liquor Merchants Association of Australia (LMAA) data, which reports on manufacturers' sales of RTDs and spirits, has confirmed the substitution effect of the tax trial by comparing sales from April – before the tax hike – and sales in June – after the tax hike:

This data provides definitive evidence that the monthly volume of alcohol has actually *increased* following the Government's decision to hike the RTD tax, specifically;

- A 46 per cent increase in the volume of alcohol sold in full-strength bottled spirits – the equivalent of an extra 48 million standard drinks;
- A 30 per cent decrease in the volume of alcohol sold in the form of RTDs – the equivalent of 27 million standard drinks;
- A 10 per cent overall increase in the number of standard spirit drinks (including both RTDs and full-strength) purchased – the equivalent of 21 million standard drinks or 266,000 litres of alcohol in spirits; and
- Before the tax hike was imposed, monthly full strength bottled spirit sales were around 13 million standard drinks more than the number of standard drinks sold as RTDs. Two months later, this figure has risen to 89 million standard drinks.

In light of this new data, the Federal Government has no alternative but to dump this unnecessary, damaging and misguided tax hike, the Distilled Spirits Industry Council of Australia (DSICA) has stated.

“These new figures further prove that the RTD tax trial has failed. It's just not working as a public health measure. The fact is that more standard drinks – not fewer – are now being consumed,” said Stephen Riden, Information and Research Manager for DSICA.

“The unintended and serious consequences of the tax are clear. Far from reducing the amount of alcohol consumed, the tax has turned many RTD drinkers to drinking bottles of spirits at significantly higher alcohol content levels,” he said.

“That means inexperienced drinkers run the risk of losing track of how much alcohol they are consuming, and there is a much greater risk of drink spiking.

“It’s time for the Government to look beyond the \$1.75 million it is taking each day through this blatant tax grab and look towards real solutions to problem drinking in Australia.”

For more information on the failed RTD tax trial go to: www.alcotaxripoff.com

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Owners and managers of liquor stores throughout Australia who have seen an increase in the purchase of full-strength spirits are available for comment and photo opportunities.

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