



Another round called on RTD tax binge

The unintended social consequences of the failed 70% tax hike on Ready-to-Drink (RTD) alcohol products will continue as long as the Federal Government applies a narrowly focused tax on one range of alcohol products.

The Distilled Spirits Industry Council of Australia (DSICA) described today's announcement by Treasurer Wayne Swan and Health Minister Nicola Roxon as "disappointing".

"We had hoped that following the rejection of the RTD tax by Parliament in March that Government and industry could refocus their efforts and work together to promote a safer drinking culture - something all Australians expect," said Stephen Riden, Information and Research Manager for DSICA.

"This has been a failed health policy and failed revenue raiser for the past 12 months. It is very disappointing that any Government would revisit a flawed policy that has already been voted on by Parliament and remains opposed by the vast majority of Australians," he said.

"Today's announcement shows a complete disregard for the decision by the Australian Senate, taken after months of debate and review.

"Like all Australians we remain committed to a comprehensive approach to problem drinking and vehemently oppose a tax grab that punishes responsible drinkers and simply incentivises the purchase of cheaper and often more potent forms of alcohol.

"DSICA is glad that the Government is now taking a common sense approach to the revenue already collected. When the tax bill was defeated, the Government should have kept the then \$290 million collected in extra excise with the support of the Opposition, and also DSICA."

DSICA reaffirmed its resolve to campaign against the RTD tax hike and push for a taxation approach that treats alcohol as alcohol regardless of its production process.

"The Government needs to accept the views of health groups that a complete overhaul of alcohol taxation is required," Mr Riden said.

"Trying to bolster the budget by only slugging drinkers of pre-mixed drinks is ridiculous when they only make up 10 per cent of the alcohol consumed in Australia," he said.

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