



RTD tax trial ‘a failure’: Liquor retailers survey

The Federal Government’s 70 per cent tax hike on RTDs has failed to reduce the amount of alcohol consumed by bottle shop customers across Australia, according to a survey of 480 liquor retailers.

Despite claims the tax increase on ready-to-drink (RTD) alcohol products was designed to reduce binge-drinking, only 4% of liquor retailers believe the tax trial introduced in April this year had led to a reduction in the level of alcohol consumed by their customers.

The survey, conducted on behalf of the Distilled Spirits Industry Council of Australia (DSICA), found the vast majority of bottle shop operators believe their customers oppose the RTD tax increase which they regard as a ‘tax grab’ that has failed to address binge-drinking.

The survey revealed strong opposition to the RTD tax hike from liquor retailers, most notably that:

- 88% believe the tax has failed to reduce alcohol consumption and 87% believe it will continue to be a failure in the long term;
- 80% report the majority of RTD drinkers are now buying other forms of alcohol (often more potent varieties) as a result of the tax;
- 90% believe the majority of their customers consider the tax to be an unwarranted tax grab; and
- 81% of their customers have an unfavourable view of the RTD tax increase.

The survey also asked retailers to describe what they would like to say to the Federal Government about the RTD tax hike. Commonly expressed messages related to: *The tax will not stop youth / binge-drinking; The tax increase is unfair and just a tax grab; and We need to tackle binge drinking in different ways.*

Stephen Riden, Information and Research Manager for DSICA, called on the Federal Government to listen to the people on the front-line. “It’s the liquor retailers, security guards, accident and emergency staff and police officers who are dealing with the fall-out from a policy that encourages the purchase of more and stronger alcohol products,” he said.

Mr Riden noted that liquor retailers are concerned about the responsible sale and consumption of alcohol and support the fact that RTDs contain a measured and known quantity of alcohol in each can or bottle.

The research was conducted by independent research company EMRS amongst randomly selected liquor store owners and operators in Queensland, Victoria, NSW, South Australia, Western Australia, Tasmania and the Northern Territory. A full research report and overview of the research methodology is available at: www.alcotaxripoff.com

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