



## **Senate vote fails to fix flawed tax – Australians left with failed RTD tax policy**

The Federal Government's \$400 million a year tax grab from ready-to-drink (RTD) alcohol products has had no impact on the amount of alcohol that Australians drink.

The Distilled Spirits Industry Council of Australia (DSICA) responded to today's Senate vote approving the RTD Excise Bill by calling it a 'flawed tax dressed up as a health measure'.

"Sixteen months on, everyone knows this is a tax grab masquerading as health policy. It has failed to reduce alcohol misuse and instead slugs RTD drinkers an extra million dollars a day," said Stephen Riden, Research and Information Manager for DSICA.

"We congratulate the MPs and Senators who stood by their principles and voted against the tax hike for the second time. They have properly reflected the views of the Australian public," he said.

"The most up-to-date sales data from independent analysts Nielsen Liquor Services reveals there has been virtually no change in overall alcohol consumption since the tax was introduced. Even the very small 0.2 percent reduction is far more likely to be a result of the economic downturn and people cutting back on their spending.

"Beer, cider and spirit sales continue to soar and RTDs are now showing double-digit growth. Nielsen analysts conclude that total alcohol sales are set for growth – yet the Government continues to paint the tax grab as a key plank of its national binge-drinking strategy.

"Sadly, politics have overruled common sense and community sentiment. We hope the Henry Review is not tainted by politics or prejudice and will recommend that alcohol products are taxed according to their alcohol content, not how it was manufactured."

DSICA will continue to remind all parliamentarians and the Australian community of the failure of the RTD tax to address binge-drinking and the need for meaningful solutions to the issue of alcohol abuse in the Australian community.

In line with its commitment to promoting a more responsible drinking culture in Australia, DSICA today announced that from October labels of RTD and full-strength spirits products will pose the question: *'Is Your Drinking Harming Yourself or Others?'*

*"Is Your Drinking Harming Yourself or Others?"* is the fundamental question for anyone who chooses to drink. It makes people consider their drinking in the context of their own life and what is important to them as an individual," Mr Riden said.

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