

Alcohol price rise 'will hurt public'

Joe Kelly

THE Australian liquor industry has warned that raising taxes on alcohol and imposing tighter restrictions on sales will not change the national drinking culture or solve the problem of youth binge drinking.

The liquor industry is urging against a new alcohol tax hike, fearing the Rudd government is determined to implement further increases under the banner of its "preventative health" campaign.

President of the Australian Liquor Stores Association, Mal Higgs, told *The Australian* raising alcohol taxes was a flawed strategy and would not be accepted by the public.

"We have to put our case forward to the federal government that the blunt instrument of taxation has not worked elsewhere," Mr Higgs said.

"We believe firmly that if you want to change the drinking culture you have to take a broader and more systematic approach. It's a debate we need to have."

Government sources claim the Henry review will establish the parameters of alcohol-tax reform next year, but many industry lobbyists fear the Rudd government has already made up its mind on the issue.

In September, federal Health Minister Nicola Roxon's preventative health taskforce released a new strategy to discourage harmful drinking.

It called for reform of alcohol taxes and pricing, concluding "policies that raise the price of alcoholic beverages are an effective means of reducing alcohol consumption".

While agreeing there was a need to reduce alcohol abuse, Mr Higgs accused the taskforce of going too far and said its recommendations would hurt the public.

"Draconian control methods won't make any difference to the problem of excessive drinking," he said.

Last April, the government raised the excise on pre-mixed products by 70 per cent, which caused the average retail shelf price of alcopops to go up one quarter and a sales drop of 30 per cent in the following 12 months.

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