

## ALCOHOL

# Alcopop tax rise to net \$3.14bn

By JEWEL TOPSFIELD

THE huge tax rise on popular pre-mixed alcoholic drinks — known as alcopops — will provide a \$3.14 billion windfall for the Government over the next four years.

This makes it the second biggest “saving” in the budget, surpassed only by deferring tax cuts for high income earners.

In terms of savings, the well-publicised crackdown on middle class welfare pales by comparison. The saving from the means test on the baby bonus, for example, amounts to only \$355 million in the same period.

The Government increased the tax on alcopops by 70% without warning last month in a bid to crack down on teenage binge drinkers, particularly girls.

The rise means alcopops are now taxed at the same rate as spirits, which will increase drink prices by between 30 cents and \$1.30 a bottle, depending on the level of alcohol.

The policy came after research into youth-drinking — funded by DrinkWise and the Federal Government — found aggressive marketing, mass discounting, “happy hours”, and high-strength alcopops were largely to blame.

The latest National Drug Strategy Household Survey also



showed alcohol, tobacco and illegal drug use had generally fallen, but that more than one in 10 teenage girls drank at dangerous levels, compared with 7% of teenage boys. Bureau of Statistics figures showed consumption of pre-mixed drinks increased 15% in a year. The Government will reap \$564 million from the tax rise in 2008-2009 alone.

Meanwhile, the Government will spend \$20 million over two years on a television, radio and internet blitz emphasising the dangers of binge drinking.

The campaign will draw on the lessons of previous effective campaigns such as those on smoking, HIV and the road toll.