



# Last shout for cheap drinkers

## Opinions differ sharply on a floor price for alcohol

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WHEN Northern Territory medico John Boffa recently endorsed a nationwide minimum price for alcohol at \$1.20 a standard drink, he said most Australian drinkers wouldn't be affected.

"The price of beer won't change [and] the price of spirits won't change because there are no spirits sold at less than \$1.20 (a standard drink) even when discounted," Boffa, a member of the Central Australian Aboriginal Health Congress said.

"But what would change is the price of awful cask wine that no one other than young people and heavy drinkers go near."

The reaction to his comment was quick and fierce, talkback radio and website traffic labelling it "elitist idiocy" and another example of the battlers getting "another boot up the arse" from poorly thought out policy.

Boffa was responding to a decision by federal Health Minister Nicola Roxon to ask the National Preventative Health Agency to examine the idea of a uniform national floor price for a standard unit of alcohol, whether it be contained in beer, wine or spirits. Roxon described the referral as a preliminary but important step.

Boffa says a sufficiently high minimum price would shift at-risk drinkers from cheap cask wine — which can sell for as little as 30c a standard drink — back to beer. This would mean they would get

drunk less often and by extension cause themselves and others less damage.

But even if it helps the desperate situation in some Aboriginal communities — the prism through which Boffa views alcohol and its effect — is it good policy for everyone?

The question boils down to whether a floor price on alcohol would benefit the nation's overall health and welfare, or is it a blunt instrument that will miss its target? And is it little more than class warfare that could cost the Gillard government at the polls?

Alcohol policy analyst Luke Malpass from the Centre for Independent Studies takes the latter view, his position dovetailing with the public's furious response.

"The whole push behind alcohol policy, according to the current zeitgeist, is to get alcohol consumption down across the board, not merely to target binge or problem drinking," Malpass says.

"This idea of putting a minimum price on alcohol simply won't work. If you raise the price, moderate drinkers might change how much they drink, but those with serious drinking problems will not.

"It's what I call a 'new class war'. Socialists who think they can, via all sorts of regulation, improve a human being are becoming frustrated that those at the lower end of the socio-economic scale, who do tend to smoke and drink more, don't get what they're trying to do for them. There's a real condescension about this," Malpass says.

The alcohol industry agree there's the whiff of elitism about the proposal, given research from the University of Adelaide that shows pensioners, those earning less than \$40,000 a year and rural Australians are the ones who tend to drink cheaper forms of alcohol and therefore would be hardest hit by a floor price.

Winemakers Federation of Australia chief executive Stephen Strachan says it's nonsense to suggest cheaper wines are solely the preserve of drunks and young

people. He adds a floor price at \$1.20 a standard drink would reach deep into the volume of wine sold in Australia.

"[It] would catch basically all cask wine and a reasonably significant proportion of bottled wine," Strachan says. "On the domestic market, a little under 40 per cent by volume of table wine sales is cask wine.

"They're portraying it as a targeted measure aimed at people with alcohol abuse problems, but this will target all consumers of affordable wine.

"Certainly some people abuse it, of that there's no doubt, but the vast majority use it in moderation and choose it because it's affordable and convenient.

"A typical consumer of these products are older Australians and it is also skewed toward females. It's in every suburb across Australia and the notion it's being consumed only in indigenous communities or by kids or those with an alcohol problem is simply rubbish," Strachan says.

The Gillard government may be flirting with it, but there's been no commitment. Roxon says the decision to have the newly formed Preventative Health Agency examine the issue was a "very preliminary step, but I think it is an important one".

And Indigenous Affairs Minister Jenny Macklin says she is only interested in the evidence. "I want to look at the facts, look at what works with dealing with alcohol abuse, but I want all the options to be on the table," she says.

One who believes there is a strong case for a uniform national minimum alcohol price, and not just as an antidote to the problems in indigenous Australia, is Michael Thorn, chief executive of the Alcohol Education and Rehabilitation Foundation, a charitable organisation campaigning against alcohol misuse.

"We're supportive of the consideration of a minimum price. The evidence supports it. Work in the UK definitely supports the view that people drinking at harm-

back



ful levels are most affected by raising the price of alcohol. People with a propensity to drink heavily are buying cheap booze," Thorn says. "A \$1 per standard drink would kick up the minimum price of a bottle of wine to \$7 to \$8, so those \$2.30 bottles you can now buy at big supermarket outlets would be off the table."

Thorn cites a study in *The Lancet* last year, which finds "general price increases were effective for reduction of consumption, health-care costs and health-related quality of life losses" for all ages.

"Minimum pricing policies can maintain this level of effectiveness for harmful drinkers while reducing effects on consumer spending for moderate drinkers," the study says. "Drinkers aged 18-24 are especially affected by policies that raise prices in pubs and bars."

The conservative government in Britain has introduced a floor price for alcohol, but health campaigners have criticised it as being too low to have a significant effect on drinking behaviour. And Scotland is about to introduce a more onerous minimum floor price for alcohol: at 45 pence a standard drink it's expected to hit general consumption levels.

Thorn says there are two public policy debates running in parallel to contain the cost to the community of alcohol. The first is targeted, the recent NT legislation that cracks down on takeaway purchases by identified problem drinkers, for example. The second is a population-wide response to the societal harm occasioned by

alcohol misuse, which Thorn says is costing the nation an estimated \$36 billion a year.

"There's a growing body of evidence that there is harm attached to using alcohol. I think we're in denial if we don't think there are harms from even low levels of alcohol use."

Another anti-alcohol campaigner, Paul Dillon, director of Drug and Alcohol Research and Training Australia and author of *Teenagers, Alcohol and Drugs*, says young people continue to do what they've always done when it comes to choosing alcohol, buying whatever gives them "the most bang for their buck".

"All kids will tell you they look on the side of the bottle, work out how many standard drinks there are and calculate what gives them the most standard drinks for the least money.

"So if the unit price goes up and they still only have the same amount of money to spend, they will have to drink less.

"When you can buy bottle of wine at Coles or Farmer Jack's for cheaper than the cost of a bottle of sparkling water there's something wrong in the world."

But Malpass demurs, saying figures on the cost of alcohol to society invariably fail to offset the benefits of the industry, including the employment generated, the export dollars created and, on some views, the positive health effects of the odd glass of wine.

"Across the socio-economic spectrum people enjoy a drink. But the unspoken assumption is that

alcohol and cigarettes must be priced out of the range that these nanny-staters, these healthists, consider problematic. They assume people don't make a conscious choice to drink and not exercise. It's incredibly infantilising."

He says the so-called alcopops tax on pre-mixed drinks brought in by the Rudd government didn't achieve any behavioural change when it came to the alcohol consumption of young drinkers.

"The girls who would drink one Breezer or two Breezers don't any more. The alcohol tax changes resulted in perfect substitution, the teenagers stopped buying alcopops and instead bought a bottle of Jim Beam and mixed it with Coke."

More political intervention in this policy space is potentially politically damaging, according to for-

mer Labor senator John Black, now a political analyst.

"[A minimum price] would effectively be another tax on lower income groups and they won't like it," Black says. "It will have a disproportionate impact on people in the lowest income quintile, and it won't affect behaviour for those who are dependent and who have the problem. It's economics 101, inelastic demand."

There could well be blowback politically on the Gillard government, he says, with electorates containing a higher than average proportion of the nation's poor the political flashpoints.

Black cites Queensland seats such as Forde, Rankin and Hinkler, along with the western suburbs of Sydney, the north and west of Melbourne and the north of Adelaide, where less well-off drinkers may vent their spleen against another government intervention in their personal choices. In those seats there are higher numbers on welfare and they consume more per capita on cigarettes, gambling and alcohol, he says.

They are also more likely to be available and willing to participate in polling and talkback radio.

"On politically sensitive issues, given this is the group that will be offended, it's like putting a megaphone on the street corner. Look at last year when Kevin Rudd put up the excise on cigarettes in the budget. It killed him. He thought it would be a plus but the week after he did it there was an 8 per cent swing against him in the polls and that was effectively it."

**BOOZE CONSUMPTION**

	Litres of pure alcohol per capita*
 CZECH REPUBLIC	16.5
 HUNGARY	16.3
 RUSSIA	15.7
 IRELAND	14.4
 FRANCE	13.7
 BRITAIN	13.4
 GERMANY	12.8
 GREECE	10.8
 ITALY	10.7
 AUSTRALIA	10.0
 CANADA	9.8
 NEW ZEALAND	9.6
 US	9.4
 JAPAN	8.0
 CHINA	5.9



John Boffa



Nicola Roxon



Paul Dillon

