

Senate Economics References Committee
ANSWERS TO QUESTIONS ON NOTICE
HEALTH PORTFOLIO
Personal Choice and Community Impacts
11 March 2016

Question no: 3

Topic: Social costs associated with illicit drugs

Type of Question: Spoken, Hansard page 16

Senator: Senator Leyonhjelm

Question:

CHAIR: For the costs that you attribute to cannabis—\$1.9 billion in your submission—did you draw a distinction between the private and social costs or have you attributed all the private costs to the overall figure in the same way that Collins and Lapsley did in their paper on the social costs of tobacco?

Dr Studdert: As you can see from the submission, we are citing research studies. Personally I am not familiar with those and I would be happy to take that on notice and give you a bit more information.

CHAIR: Yes. The reason is that I want to know if there has been any effort to distinguish between private and social costs in that \$1.9 billion. If you could take that on notice, that would be good.

Answer:

The research cited in the Department's submission was conducted by the Drug Policy Modelling Program (DPMP) as part of the Monograph Series funded by Colonial Foundation Trust and published by National Drug and Alcohol Research Centre in February 2007.

The DPMP study aimed to estimate the different social costs associated with different illicit drugs. As part of their baseline calculations for this estimate, the DPMP adopted the illicit drug estimate used in the same Collins and Lapsley (2002) report that identified the social costs of tobacco. Therefore the same assumptions are made for illicit drugs and for tobacco.