



Distilled Spirits Industry Council of Australia Inc.

Committee Secretary  
Senate Standing Committee on Community Affairs  
Department of the Senate  
Parliament House ACT 2600

10 March 2009

Dear Sir/Madam

**DSICA Supplementary submission to the Senate Standing Committee on Community Affairs**

***Inquiry into Excise Tariff Amendment (2009 Measures No. 1) Bill 2009 and Customs Tariff Amendment (2009 Measures No. 1) Bill 2009***

On behalf of the Distilled Spirits Industry Council of Australia Inc (DSICA), I enclose our supplementary submission to the Senate Standing Committee on Community Affairs Inquiry into *Excise Tariff Amendment (2009 Measures No. 1) Bill 2009* and *Customs Tariff Amendment (2009 Measures No. 1) Bill 2009*.

DSICA appreciates the opportunity to make this supplementary submission which should be read together with the initial submission lodged with the Committee.

In this supplementary submission, DSICA highlights the key results of a comprehensive study conducted by the independent research firm, Roy Morgan Research, into alcohol consumption trends during 2007 and 2008.

DSICA believes that the Roy Morgan Research study into alcohol consumption trends between 2007 and 2008 provides clear and conclusive evidence that the RTD tax increase has failed as a health policy measure.

Indeed, the key findings show that:

- there has been no overall decrease in alcohol consumption since 2007;
- the decline in RTD consumption from tax change has been offset by increased consumption of other alcohol beverages including beer, spirits and cider;
- there has been no significant decline in alcohol consumption among age groups;
- there is no evidence of decline in total alcohol consumption by 18-24 year olds for both men and women;
- the overall decline in RTDs has not come from 18-24 year olds; and
- there has been no decrease in the consumption of light spirit-based RTDs.

## "Free The Spirit"

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Accordingly, and as stated in its primary submission, DSICA believes that the Senate should validate the RTD tax increase retrospectively for the period 27 April 2008 to the date of Royal Assent of the Amendment Bills. This will prevent any refund entitlements arising since the RTD tax increase of 27 April.

A new rate for RTDs should be implemented prospectively from the day after Royal Assent which would see the RTD rate return to the previous rate applying to RTDs prior to 27 April 2008.

Please do not hesitate to contact me on (03) 9696 4466 if you have any queries in relation to either of the two DSICA submissions.

Yours sincerely

Gordon Broderick  
Executive Director

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