# Submission to ANPHA consultation on minimum price for alcohol

FARE provided a submission to the Australian National Preventive Health Agency (ANPHA) consultation into *Exploring the public interest case for a minimum (floor) price for alcohol*, recommending a staged approach to alcohol pricing and taxation policy reform which would reduce alcohol-related harms.

## Recommendations

1. Alcohol pricing policies should not be addressed in isolation and instead a comprehensive approach to alcohol pricing is needed that considers both alcohol taxation reform and minimum pricing policies.
2. As part of the development of a minimum floor price for alcohol ANPHA should consider the:
i. policy objectives of the Government in achieving alcohol pricing reform
ii. implementation options for a minimum floor price in Australia
iii. ideal rates for a minimum price to best influence behaviours and reduce alcohol-related harms.
3. Introduce a staged approach to comprehensive alcohol pricing reform by:
i. immediately replacing the WET with a volumetric rate of taxation
ii. begin working with the state and territory governments to mandate the collection of alcohol sales data to be used in prioritising further reform
iii. within one year, begin to address the current gaps in alcohol pricing policies
iv. develop and implement a longer term plan for alcohol pricing reform in Australia.
4. Ensure that a long term alcohol pricing policy addresses the principles identified in the submission, including:
i. alcohol pricing must be applied according to the volume of alcohol within products and their potential to cause harm
ii. the policy relevant social costs of alcohol consumption must be used to inform alcohol taxation rates and prices
iii. alcohol pricing policies must minimise distortion that may encourage harmful consumption of alcohol
iv. revenue collected from alcohol pricing policies should be used to pay for the costs incurred by Government to address alcohol-related harms
v. alcohol pricing policies must ensure the cost of alcohol is relative to incomes and Consumer Price Index (CPI) increases
vi. alcohol pricing policies must aim to increase the floor price of the cheapest alcohol products; vii. alcohol pricing policies must ensure harmful discounting by industry does not occur and minimise loopholes
viii. alcohol pricing policies must be administratively efficient.

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