Inquiry into the health impactss of alcohol and other drugs in Australia

Dear House of Representatives Standing Committee on Health, Aged Care and Disability,

We welcome the opportunity to provide a supplementary submission to the Inquiry into the health impacts of alcohol and other drugs in Australia. Alcohol Change Australia previously provided a submission to the Inquiry under the former Standing Committee on Health, Aged Care and Sport (Submission #76). We note that all the information received as part of the inquiry under the previous Parliament will be reconsidered. Our original submission remains current, and we reaffirm our support for the recommendations and evidence previously presented.

This supplementary submission presents updated research and emerging evidence relevant to the Terms of Reference for the Committee's consideration. It focuses on the evidence-based, population-level policy interventions that not only work to prevent and reduce alcohol-related harm, but also create supportive environments for community prevention and AOD treatment programs. In the absence of robust systemic policy frameworks, these programs operate within environments that continue to promote and normalise alcohol use. Well-designed alcohol policies provide the structural foundation that help support prevention and treatment initiatives to achieve success.

About Alcohol Change Australia

Alcohol Change Australia is a group of health and community organisations working together to improve the health and wellbeing of the Australian community. Alcohol Change Australia encourages policy change to prevent and reduce alcohol harm in Australia. Further information on Alcohol Change Australia, including our members and policy priorities, can be found on our website at www.alcoholchangeaus.org.au.

Summary of recommendations

Alcohol Change Australia reaffirms our support for the recommendations previously presented to the Committee in our October 2024 submission. To reduce harm from alcohol in Australia, the Government should:

- Deliver a coordinated approach to preventing and reducing alcohol-related harm by:
    - Committing to deliver the overarching National Alcohol Strategy. The strategy must have a clear implementation plan, be sufficiently resourced and be guided by ongoing monitoring and evaluation.
    - Providing adequate investment to implement the National FASD Strategic Action Plan 2018–2028.

    - Implementing the recommendations from the Senate Inquiry into effective approaches to prevention, diagnosis, and support for Fetal Alcohol Spectrum Disorder.
    - Establishing a national governance structure to oversee Australia's action to prevent and reduce harm from alcohol and other drugs.
- Protect the community from alcohol marketing by:
    - Introducing a regulatory framework with legislative basis that effectively protects the community from exposure to alcohol marketing.
    - Prohibiting the collection, use and disclosure of children's data for commercial purposes (including the profiling, monitoring, tracking, and targeting).
- Address cheap alcohol that fuels harm by:
    - Removing the Wine Equalisation Tax and introducing a volumetric tax for wine and other fruit-based alcohol products.
    - Maintaining Consumer Price Index increases on excisable alcohol products.
- Empower the community by raising awareness of the harms caused by alcohol by:
    - Introducing health warning labels on all alcohol products that are mandated, standardised, and present rotating health messages.
    - Substantially investing in the development and implementation of evidence-based, targeted, and ongoing campaigns and preventative programs that increase awareness of alcohol harms and the NHMRC Australian guidelines to reduce health risks from drinking alcohol.
- Create healthy public policy free of industry influence by:
    - Reforming political donation laws to exclude donations from the alcohol industry.
    - Excluding alcohol companies, retailers, and their lobbyists from being involved in the development of public policy in Australia and at the global level.
    - Increasing transparency of interactions between the Australian Government and alcohol industry.

Details on these recommendations are provided in our first submission. In the sections below, we provide new and supplementary evidence supporting the development of public policy free of industry influence, alcohol tax reform, and alcohol labelling.

Terms of Reference c) Examine how sectors beyond health, including for example education, employment, justice, social services and housing can contribute to prevention, early intervention, recovery and reduction of alcohol and other drug-related harms in Australia

Effective policy development requires clear guardrails and governance structures that protect decision-making from commercial interests, particularly those of industries producing harmful

products. The commercial sector's objective is to increase demand and use of its products. This objective places it in direct conflict with public health goals.

In our October 2024 submission to the Inquiry, Alcohol Change Australia emphasised the need to create the conditions for making health-focussed alcohol policy free of industry influence. Currently in Australia, many commercial groups who benefit from the sale and use of alcohol are able to influence the development of alcohol policy. Commercial groups with a vested interest in alcohol policy often use many tactics to impact on government regulation and undermine effective alcohol policies. This can include intimidating, attacking or discrediting researchers and advocates, misuse of scientific evidence, lobbying, donations and casting doubt on legitimate science/research.[1,2,3,4,5,6]

For example, specious claims made in the Alcohol Beverages Australia-commissioned report (Submission #204 to the Inquiry, dated 30 December 2024) regarding two reports published by Alcohol Change Australia are an attempt to discredit our work. As an alliance of health and community organisations committed to working together to prevent and reduce alcohol-related harm, we engage in a range of activities, including undertaking and commissioning research and reports, to improve federal policies that reduce alcohol intake and harm.

Alcohol Change Australia would be pleased to provide further information to the Committee on our methodology for our organisational reports, but in summary, we engaged professional data and research organisations to run and analyse online surveys; a commonly accepted methodology in many research studies and advocacy activities. The reports were intended to enhance public discussion about alcohol and the harms it can cause. They were not designed to be published as academic papers in peer-review journals, providing substantial methodological details or statistical reporting. However, we note the findings are consistent with other published surveys and peer-reviewed research studies. For example:

- Studies have consistently demonstrated low levels of community awareness in Australia and internationally that alcohol can cause cancer.[7,8,9]
- Research has repeatedly found that sugar and carbohydrate claims on alcoholic products mislead consumers to perceive products bearing claims as healthier and less harmful to their health, compared to the same products without claims.[10,11,12]

Tactics evident in Submission #204 – i.e. attempting to misrepresent and discredit the work of public health experts and advocates - demonstrate the need for the development of health policies to be protected from distortion by commercial or vested interests. The implementation of robust systems for policy development that are guided by the evidence and prioritise the involvement of health experts and people with lived experience would help put people before profits.

Alcohol policy that drives down demand on our AOD treatment services

Alcohol Change Australia notes that, since our previous submission, the federal government has commenced a program of review of its alcohol and other drug services (the Drug and Alcohol Program Review). While Alcohol Change Australia's focus is on evidence-based

prevention policies, we support the expansion of AOD services to properly meet the needs of the many Australians living with an alcohol dependence.

Moreover, we note the role that alcohol policy can play in driving down demand. The most common principal drug of concern that lead people to receive AOD treatment continues to be alcohol.[13] Our initial submission to the Inquiry identified a range of policy options that would reduce pressure on Australia's AOD treatment system, including replacing the WET with volumetric excise and strengthening the regulation of alcohol advertising. We refer the Committee to submissions from Alcohol Change Australia members, including the Alcohol and Drug Foundation and Drug ARM, for further information on necessary reforms to the AOD treatment system.

Terms of reference d) Draw on domestic and international policy experiences and best practice, where appropriate

Reforming alcohol tax to improve productivity and strengthen budget sustainability

In our October 2024 submission, Alcohol Change Australia highlighted the urgent need to address cheap alcohol that fuels harm. This can be achieved through alcohol tax reform via the removal of the Wine Equalisation Tax (WET) and the introduction of a volumetric tax on wine and other fruit-based products.

This reform aligns with the Australian Government's current focus on economic reform and productivity. At present, there is no mechanism that recoups the substantial economic, health, or social costs generated by the alcohol industry. The current taxation system enables cheap alcohol products to flood the community, contributing to lost productivity, significant economic costs, and widespread harm. Abolishing the WET and moving wine products under the volumetric excise tax system would generate revenue, improve productivity, and reduce the economic burden of alcohol harms. Most importantly, these changes would help reduce the devastating health and social impacts of alcohol products. Alcohol Change Australia provided a proposal to the Economic Reform Roundtable in August 2025, outlining the case for alcohol tax reform to improve productivity and strengthen budget sustainability (see **Attachment 1**).

The UK's experience demonstrates that such reform is feasible. The UK implemented a major restructure of its alcohol duty system under the *Finance (No. 2) Act 2023*, effective from 1 August 2023, with further administrative reforms commencing in February 2025. The reform had two goals: simplify the structure and administration of the alcohol duty system, and align it more closely with public health goals. Like Australia, the UK had previously applied different duty rates across and within product categories, resulting in products of equal alcoholic strength being taxed unevenly. And, like Australia, the UK experiences high levels of alcohol harms, with the availability of cheap, high-strength alcohol products contributing to harms.

Under the new system, alcohol products in UK are taxed in proportion to their strength. The UK introduced transitional measures to ease implementation and protect small business, with

temporary rate adjustments for wine, and reduced duty rates for small producers and on-premise draught products.

Further detail on the UK's new alcohol duty system, including the rationale, structure, and early impacts, is provided in the House of Commons Library report *The new alcohol duty system* (February 2025). The UK experience offers a blueprint for reform that could be adapted in Australia to promote productivity and fiscal sustainability, as well as improve public health outcomes.

Given the strong evidence demonstrating both the economic and public health benefits of alcohol tax reform, there is a clear case for an independent review of Australia's alcohol taxation system. A review conducted by the Productivity Commission would provide a transparent and evidence-based mechanism to guide reform, that takes into account the fiscal, health, and equity implications of alternate tax structures. This process would ensure that future tax settings are informed by evidence, aligned with the Government productivity and fiscal objectives, and designed to reduce alcohol-related harm across Australia.

Alcohol Change Australia recommends that the Government:

- Direct the Productivity Commission to undertake a comprehensive, evidence-based review of Australia's alcohol taxation system. The review should assess how current tax settings can be restructured to align the system with public health objectives, economic efficiency, and equity.

New evidence on FASD prevalence in Australia

In our initial submission, Alcohol Change Australia emphasised the critical importance of preventing FASD through the continued implementation of the National FASD Strategic Action Plan and the recommendations of the Senate Inquiry into effective approaches to prevention, diagnosis, and support. New research published since further reinforces this priority.

A landmark study, published in June 2025, has estimated that up to one in 28 Australians may be living with Fetal Alcohol Spectrum Disorder (FASD). The first Australian study to estimate FASD prevalence in the general population, researchers used national-level modelling to estimate a national prevalence rate of 3.64%.[14]

FASD is the most common preventable cause of acquired brain injury, neurodevelopmental disability and birth defects in Australia. It carries lifelong impacts, including problems with learning, language, development and behaviour, and there are high rates of comorbidities such as attention deficit hyperactivity disorder and autism.

The authors of the study noted that a FASD prevalence rate of 3.64% has significant implications for health, disability, justice, community and educational sectors. The data demonstrates the urgent need for not only an increase in diagnostic and support services, but for effective strategies to prevent harm from alcohol use during pregnancy.

New guidance from the WHO on carcinogenic properties of alcohol and recommended policy interventions

Alcoholic products have been classified as a Group 1 carcinogen for decades, meaning there is sufficient scientific evidence to conclude they cause cancer in humans. In October 2025, WHO/Europe and the International Agency for Research on Cancer (IARC) released Volume 20 of the *IARC Handbooks of Cancer Prevention* (the Handbook).[15] Produced by an independent working group of international experts through a transparent process free from conflicts of interest, the Handbook evaluates the impact of reducing or quitting alcohol on cancer risk, as well as the effectiveness of alcohol policies to reduce alcohol use.

The Handbook concludes that population-wide alcohol policies reduce drinking, and that reduced drinking lowers cancer risk. Alcohol policy interventions that lead to population-level reductions in alcohol use include those that increase taxes, reduce alcohol availability, and restrict alcohol marketing. In releasing the Handbook, WHO/Europe and the IARC stated "These policies save lives, save money, take effect quickly, and are now backed up by one of the world's most rigorous scientific reviews."[16]

Health warning labels on alcohol products

There has been growing international momentum around alcohol labelling since our October 2024 submission:

1. **United States of America**
   In January 2025, U.S. Surgeon General Vivek Murthy released a public health advisory calling for the inclusion of cancer warning labels on all alcoholic products, arguing that current labels are outdated and fail to reflect accumulating evidence that alcohol is a leading preventable cause of cancer.[17] With less than half of Americans aware of the link between alcohol and cancer, similar rates in Australia, the advisory noted a revised warning label was essential for public awareness and behaviour change.
2. **Canada**
   In May 2025, a Private Member's Bill was introduced into the Canadian Parliament to amend the Food and Drugs Act to mandate warning labels on alcohol products. The proposed labels would state the direct causal link between alcohol and cancer, the number of standard drinks in the product, and the national drinking guidelines.[18] The bill passed first reading in May and is currently awaiting further parliamentary consideration.
3. **United Kingdom**
   In the UK's recently released 10-Year Health Plan for England, the UK government has committed to replacing the existing voluntary alcohol labelling guidelines with a mandatory requirement for alcoholic drinks to display consistent nutritional information and health warning messages.
4. **WHO/Europe**

Volume 20 of the *IARC Handbooks of Cancer Prevention*, discussed above, notes that increasing public awareness of the carcinogenicity of alcoholic products, including through labelling requirements, can help generate support for stronger policy measures.

These international examples demonstrate the growing recognition of the importance of health warning labels on alcohol products to help raise awareness of the harms caused by alcohol, including cancer.

We thank the Committee for the opportunity to provide this supplementary information and remain available to provide further information to the inquiry as required.

Attachment 1: ACA submission to the Economic Reform Roundtable

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