

**Australian Medical Association Limited**

ABN 37 008 426 793

42 Macquarie Street, Barton ACT 2600; PO Box E115, Kingston ACT 2604

Telephone: (02) 6270 5400 Facsimile: (02) 6270 5499

Website: <http://www.ama.com.au/>President: Dr Kerryn Phelps  
Secretary General: Dr Robert Bain**AMA**

00/214

4 February 2003

Ms Kay Hull MP (Chair)  
Standing Committee on Family and Community Affairs  
House of Representatives  
Parliament House  
CANBERRA ACT 2600

Dear Ms Hull

I am writing to you to ensure that the introduction of a volumetric wine tax is recommended by the House of Representatives Standing Committee on Family and Community Affairs Inquiry into Substance Abuse in Australian Communities.

The AMA asserts that excess alcohol consumption leads to an unacceptably high level of sickness and social disruption and constitutes a major public health issue. The social disruption associated with excessive alcohol consumption, particularly intoxication, is reflected in accidents (particularly motor vehicle), mental illness, family breakdown, unemployment, crime, and violence.

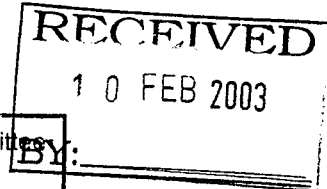
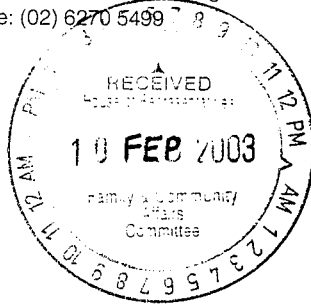
We must stress, however, that not all alcohol consumption is deleterious to health. In fact, low levels of alcohol consumption are associated with reduced cardiovascular disease in older individuals. The AMA condemns the consumption of **hazardous** (though often socially acceptable) levels of alcohol and formally endorses the National Health and Medical Research Council's (NHMRC) recommendations that it is potentially hazardous and harmful to exceed a daily intake of four standard drinks for men and two for women (unless pregnant, when abstinence is desirable).

There are sound arguments on public health grounds for the introduction of a volumetric Wine Equalisation Tax based on alcohol content. The AMA has been supportive of this for a number of years. This position was demonstrated in the June 2000 submission that the AMA made to your committee. In that document the association recommended:

***That State and Federal Government taxes directly reflect the total volume of alcohol in the product.***

Similarly in its 2001/2002 Budget submission the AMA stated:

***The AMA recommends the introduction of a volumetric Wine Equalisation Tax by 2003 – which would tax wine based on alcohol content. It also recommends that excise on alcohol based products be based on alcohol content and that excise on alcoholic drinks with less than 3.5% alcohol be significantly reduced to encourage low alcohol products.***

House of Representatives Standing Committee  
on Family and Community Affairs

Submission No: ..... 286 .....

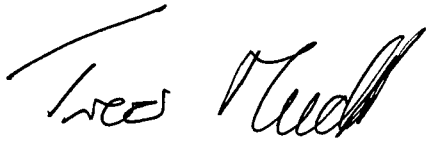
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Secretary *Jawaly Fokeer*

I am aware that your committee is due to report back to parliament in the near future. I urge you to recommend that this initiative be adopted on the basis of public health and safety.

Thank you once again for your correspondence.

Regards

A handwritten signature in black ink, appearing to read "Trevor Mudge". The signature is written in a cursive style with a long horizontal stroke at the beginning.

Dr Trevor Mudge  
Federal Vice President