Why Tax the Alco-Pops?

Alco-pops, or ready to drink (RTD) alcoholic beverages as they are often referred to, include a range of beverages that combine alcohol and soft-drink or milk. A recent Australian study showed that RTDs are the main drinks consumed by 15-17 year old girls in Australia who were drinking at high-risk levels. The study also showed that there was an increase in the consumption of these products among 15-17 year old boys and girls between 2000 and 2002. This high consumption amongst teens can be attributed to the taste and marketing of these products. The taste of alcohol is disguised by the sweet and fruit flavours. The small size and screw-top bottle increases portability, making it easier to hide, and a high alcohol content satisfies the need for rapid intoxication. In addition, RTDs are often packaged with colourful labels and images that appeal to youth.

RTDs are marketed to teens and these marketing efforts have been working – so why battle this issue with a tax? There is very strong evidence to show that a control on price, usually through taxation, is one of the most effective ways to reduce levels of harm in teenage drinkers – perhaps it could be said that it would be negligent of a government not to tax the alco-pops.

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