

House of Representatives

Supplementary Order Paper

Tuesday, 21 August 2012

Alcohol Reform Bill

Proposed amendments

Hon Maryan Street, in Committee, to move the following amendments:

Clause 382

In *clause 382(1)*, after *paragraph (bb)* (after line 27 on page 235), insert:

- (bc) requiring the holder of an off-licence to pay a health levy in respect of each premises to which the licence applies:

After *clause 382(2)* (after line 5 on page 236), insert:

- (3) Regulations made under **subsection (1)(bc)** may apply a different rate of health levy to different kinds of alcohol product.
 - (4) Revenue from the health levy established under **subsection (1)(bc)** must be applied by the Crown to fund alcohol-related health and treatment services.
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Explanatory note

The Law Commission recommended using price as a deterrent for excessive alcohol consumption, particularly amongst young people. By applying a health levy at point of sale, established by regulation, that deterrent effect could be achieved without penalising makers of alcoholic beverages. A health levy at point of sale could be used variably across a range of products so that it could specifically target certain products such as ready to drink beverages, spirits, beer, wine or other alcoholic beverages, according to their proven harmful effects, especially for young people. A health levy mechanism of this sort could be used to target a complete product line rather than the amount of alcohol by volume. It would affect end purchasers of alcohol without compounding producers' costs or applying to importers or distributors. Its application to health problems arising

from abuse of alcohol will address one of the Law Commission's recommendations in this regard. The establishment of a point of sale health levy for alcohol products is also a mechanism to stop heavy discounting, possibly to below cost. It would have a very limited impact on those who drink safely and responsibly.
