

PRESS STATEMENTAnn Hercus  
Shadow Minister of Health

## Alcohol Tax

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Increased tax on alcohol should be used for funding health projects, according to the Shadow Minister of Health, Ann Hercus.

She was commenting on the statement yesterday by the Minister of Health, Aussie Malcolm, that he supported increased alcohol tax as a means of reducing consumption, but didn't believe the tax should necessarily be used for health purposes, but merely as a contribution to the consolidated fund.

"The Minister is blundering on in his new portfolio. What he is advocating is more expensive alcohol so that Government can soak up more of the tax-payers money to fund its "sink big" projects," Mrs Hercus said.

"To reduce alcohol consumption, and the health problems it causes, more is needed than simply increasing the price. There must be programmes of public education, research, community support and treatment. A thorough review is needed of the availability of alcohol, the number and kind of outlets, for it, and the whole problem of drinking driving."

"I believe most New Zealanders would accept with good grace an increase in liquor taxes, but only if that money was spent on alcohol abuse, health and education programmes. Conversely, I do not think many New Zealanders would support liquor tax hikes knowing that the funds generated could be diverted under this National Government to build a high dam in the Clutha or subsidise a second aluminium smelter."

"If the Minister is concerned about the \$500 million of alcohol related problems that the New Zealand health system copes with each year, he should use the authority of his office to ensure that any increases in tax go directly into this area."

"What happened to the one cent alcohol and tobacco tax this Government introduced in 1977? The \$27.2 million dollars raised by it annually was meant to fund new community health projects. How much of it is now going towards the purposes for which it was intended? It seems to be untraceable."

"And now the Minister is abandoning the concept altogether. He is happy to tax the sick via prescription charges, to put the screws on hospital boards so that they will have to cut essential services, to slash community health projects - but he's not willing to put needed money into the health system from an alcohol tax."

"Labour's recent conference confirmed its support for liquor taxes to be spent in health related areas. Mr Malcolm has no such commitment, and that is a tragedy."