



AUSTRALIAN HOTELS ASSOCIATION

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MEDIA RELEASE

7 May, 2009

BEER TAX INCREASE WOULD HURT AVERAGE AUSTRALIANS

Any increase in tax on alcohol in next week's Federal Budget would hurt average Australians, according to the Australian Hotels Association.

The comments come following fresh speculation that such a hike could be one of the measures the Federal Government is considering to boost revenue at a time of economic downturn.

"The hotel industry remains confident the Government will honour its promise that alcohol taxation would be considered as part of the 'Australia's Future Tax System' review that is currently taking place," said the AHA's National Chief Executive Officer, Bill Healey.

"We already have an orderly process to increase excise on alcohol every six months, which was introduced by the previous Labor Government.

"Any increase on top of this would upset the average Australian who enjoys having a beer at his or her local hotel."

This has already been challenged by random breath testing, non-smoking laws and the rise of big-barn liquor retailers, which have seen a dramatic drop in the share of alcohol sales in pubs in the past two decades.

"If tax on alcohol was to increase, it will make it harder to attract people out of their homes to our venues, putting jobs at risk and increasing the level of unsupervised drinking," Mr Healey said.

"There are around 7000 hotels in Australia which employ more than 250,000 people.

"Most hotels are small businesses, many of these are located in regional and rural areas and 60% of their income is derived from the responsible sale of alcohol."

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The Australian Hotels Association (AHA) is the pre-eminent tourism and hospitality industry organisation in Australia. It has around 5000 members operating general and accommodation hotels. It has a national office and branches in each State and Territory. It also has a discrete branch to represent the interests of its accommodation members that covers four and five-star properties.