

About alcohol's \$36 Billion cost



Foundation for Alcohol
Research & Education

Alcohol costs Australians \$36 billion every year.

¹The estimated cost of alcohol abuse by drinkers in Australia is \$15.3 billion.

²The Range and Magnitude of Alcohol's Harm to Others found that the total cost of alcohol-related harms to someone other than the drinker was \$20 billion.

When combining the costs identified in the two studies, and allowing for overlaps, the total cost of alcohol misuse in Australia was found to be \$36 billion.

The \$36 billion figure came about through careful and comprehensive analysis by the report's chief investigator and Director of the AER Centre for Alcohol Policy Research, Professor Robin Room, and Professor Chris Doran, Health Research Economist, University of Newcastle.

The total cost of harm is not a simple addition of the two figures. The group of experts determined where the overlaps between the AER Foundation's study and Collins and Lapsley's study occurred. Changes in cost of living from when Collins and Lapsley's study was undertaken were also taken into consideration.

THE \$36 BILLION

\$6.39 billion - Pain and suffering from diminished quality of life

\$9300 million - Cost of time lost or spent

\$4621 million - Loss of life

\$3954 million - Labour costs

\$2576 million - Out-of-pocket expenses

\$2461 million - Road accidents

\$2210 million - Total health care

\$1888 million - Resources used in abusive consumption

\$1592 million - Crime

\$670 million - Child protection costs

\$396 million - Pain and suffering

1 2008 D.J. Collins and H.M. Lapsley, The Costs of Tobacco, Alcohol and Illicit Drug Abuse to Australian Society in 2004/05

2 Laslett, A-M et al (2010) The Range and Magnitude of Alcohol's Harm to Others. Fitzroy, Victoria: AER Centre for Alcohol Policy Research, Turning Point Alcohol and Drug Centre, Eastern Health.