

The True Cost of Alcohol: Why Higher Taxes Will Save Lives and the Economy

SAAPA-SA hails Finance Minister Godongwana's call for higher alcohol and tobacco taxes as a bold step toward safer, healthier South African communities. Excise tax inherently recognises the harm caused by the products. The World Health Organization's SAFER Initiative shows that **raising the price of alcohol through excise taxes is one of the most effective ways to save lives and an instrument to generate domestic revenue.**

Every day, alcohol leaves a trail of destruction in South Africa. **Over 37,000 South Africans die prematurely each year because of alcohol-related causes**, representing 7 percent of all adult deaths according to the World Health Organization. In 2024 alone, more than 5,146 road fatalities involved alcohol. Women pay the heaviest price, with alcohol driving a surge in gender-based violence and intimate partner killings. Families are shattered and communities are scarred. Fathers are lost, mothers are beaten, and children are orphaned. Alcohol is not just a beverage; it is a public health crisis.

Evidence proves higher taxes reduce consumption among youth and heavy drinkers, curb violence, prevent road deaths, and relieve pressure on overstretched health and social systems

The World Health Organization (WHO) has launched a major new initiative urging countries to raise real prices on tobacco, alcohol, and sugary drinks by at least 50% by 2035 through health taxes. The "3 by 35" Initiative comes at a time when health systems are under enormous strain from rising noncommunicable diseases (NCDs), shrinking development aid and growing public debt. These include direct support for country-led reforms with the following goals in mind:

- (1) **Cutting harmful consumption** by reducing affordability; Increase or introduce excise taxes on tobacco, alcohol, and sugary drinks to raise prices and reduce consumption, cutting future health costs and preventable deaths.
1. **Raising revenue** to fund health and development.
2. Mobilize domestic public resources to fund essential health and development programmes, including universal health coverage.
3. **Building broad political support** across ministries.
4. Effective policies.

South Africa's National Treasury should increase alcohol excise duties commensurate with the cost of harm it causes. Every rand raised can be reinvested into healthcare, prevention programs, and support services. Taxes are not punishment. They are protection and life-saving interventions that turn industry profits into safeguards for families and communities. 50% are current drinkers. However, of those who drink alcohol, 47% engaging in heavy episodic drinking, 60% display problematic drinking.

Alcohol costs South Africa more than the lives it affects. It drains the economy. Evidence proves

alcohol-related harm consumes 10 to 12 percent of GDP annually, including healthcare, policing, lost productivity, and social services.

Behind these numbers are real lives, real pain, and real loss: The True Cost of Alcohol. Communities are weighed down by broken families, lost livelihoods, and preventable tragedies.

SAAPA is driving Evidence-Based Alcohol Policy Reform in South Africa

The Southern African Alcohol Policy Alliance (SAAPA) represents over 100 civil society organizations across South Africa, united in the pursuit of reducing alcohol-related harm. In a landmark achievement, SAAPA successfully lobbied government, together with partner organizations, to remove the alcohol clause from the Basic Education Laws Amendment (BELA) Bill, preventing alcohol sales at school events and safeguarding youth from early exposure. SAAPA produces rigorous, evidence-based research demonstrating the link between alcohol availability, gender-based violence and has produced reports on how the alcohol industry has used its representation on the National Economic Development and Labour Council (NEDLAC) to delay the Liquor Amendment Bill.

The organization monitors liquor licensing nationwide monthly, ensuring compliance and advocating for responsible licensing practices.

Recent successes include influencing the relocation of the Mpumalanga Springboks Fan Park away from Laerskool Nelspruit and opposing the granting of a liquor license to Grey College in the Eastern Cape, working closely with provincial liquor boards and the Department of Education to limit minors' access to alcohol.

Through sustained advocacy, research, and policy engagement, SAAPA continues to shape public discourse, safeguard vulnerable communities, and influence legislation, positioning itself as South Africa's leading voice for evidence-based, public health-oriented alcohol policy reform.

SAAPA and The True Cost of Alcohol campaign call on government, civil society, and citizens to act now. Taxation, along with the WHO SAFER strategies, can reduce alcohol harm and rebuild society. Choosing higher alcohol taxes is choosing life over loss, health over profit, and safety over destruction. The evidence is clear, the need is urgent, and the time for action is now.

#PassLiquorBillsNow



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