

COST OF ALCHOL RELATED CRIME & VIOLENCE IN CAIRNS

ADDRESS TO THE

ALCOHOL RELATED CRIME & VIOLENCE CONFERENCE

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Cummings Economics**



**Reef Hotel Casino, Cairns
J2695 | 15th July 2013**

SOCIAL COST OF ALCOHOL ABUSE

<u>AUSTRALIAN RESEARCH</u>		
2004/05	\$16.4 bn	
Per head of population	\$805	(2004/05)
	\$1000	(est 2013 values)

<u>US RESEARCH</u>		
1998 est	\$US 185 bn	
Per head of population	\$US 685	(1998)
	\$US 980	(est 2013 values)

Source: Cummings Economics based on; Australian research - David Collins of Macquarie University & Helen Lapsley of UQ 2008; US research – Harwood et al 1998.



ESTIMATED SOCIAL COSTS OF ALCOHOL ABUSE IN CAIRNS

(Based on National Ratios per Head of Population)

Labour in the workforce - Reduction in workforce & Absenteeism	\$32.8 m
Labour in the household - Premature death & Sickness	\$14.4 m
Less consumption resources saved	(-\$14.8 m)
Total net labour costs	\$32.4 m
Healthcare - Medical, Hospital, Nursing homes, Pharmaceuticals & Ambulances	\$18.1 m
Road accidents n.e.i.	\$20.2 m
Crime n.e.i. – Police, Criminal courts, prisons, Property, Insurance administration & Productivity of prisoners	\$13.0 m
Resources used in abusive consumption	\$15.5 m
Total Tangible	\$99.2 m
<i>Intangible Social Costs of Alcohol Abuse</i>	
Loss of life, Pain and suffering (road accidents)	\$42.0 m
<i>Social Costs of Joint Alcohol & Abuse</i>	
Various	\$9.7 m
Total social costs of joint alcohol & drug abuse	\$150.9 m

Note: n.e.i. Denotes not elsewhere included.

Source: Cummings Economics based on Collins & Lapsley (2008) & ABS – Estimated Residential..



OTHER

- **EST TOTAL COST OF ALCOHOL ABUSE HIGHER THAN \$150M**
- **ABOUT 2% OF GROSS REGIONAL PRODUCT (APPROXIMATELY \$7BN)**
- **TOTAL INCOME JAPANESE & CHINESE TOURISM ABOUT \$200M**



- **AGES 15 – 24 ACCOUNT FOR ABOUT 40% OF ALL UNEMPLOYMENT IN THE REGION**

Source: Cummings Economics Analysis of ABS Workforce Series in 2011.



UNEMPLOYMENT CAIRNS (GORDONVALE TO ELLIS BEACH)

INDIGENOUS POPULATION	25%
NON-INDIGENOUS POPULATION	6%

Source: Cummings Economics from ABS Census Data 2011.



IMPACTS ON VISITORS

- **BACKPACKER PERSPECTIVE**
- **PROBLEM BUT NOT SERIOUS**
- **CANNOT LET GET OUT OF HAND**



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