



## Media Release

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# The \$80 billion dollar cost of addiction to Australia

One in four Australians will struggle with alcohol, other drugs, or gambling in their lifetime yet many will wait years, even decades, to get the help they need because of stigma.

Understanding the cost of addiction in Australia, a joint report released today by KPMG and Rethink Addiction, has revealed that over 2021 the impact of productivity and associated losses to the nation's economy due to addiction amounted to \$80 billion dollars.

The report seeks to understand the drivers of addiction across the country and aims to show real change is possible through accessible early treatment and by addressing the stigma associated with addiction.

### Cost of addiction breakdown:

- Tobacco was the highest at 44% or \$35.8 billion
- Alcohol was second highest at 28% or \$22.6 billion
- Prescription and illicit drugs recorded 16% or \$12.9 billion
- Gambling was 13% or \$10.7 billion

The report also found that the value of life lost to addiction was significant at \$48.4 billion dollars.

KPMG Mental Health Advisory Lead, Andrew Dempster said, "Analysing the cost of addiction and the value of lost life in Australia provides valuable insights into the breadth, depth, and nature of the impacts of addiction on the Australian economy and the lives of Australians.

Addiction-related costs are incurred across the healthcare system, justice system, productivity in the workplace, and in the home, as well as in other areas. Understanding the size and distribution of these costs can assist in informing policy and service system reform and improvement and supporting responses to addiction including primary prevention, early intervention, treatment, and harm reduction."

Rethink Addiction campaign spokesperson, Professor Dan Lubman said, "We know that for every dollar spent on addiction treatment we save up to \$7, and that for every dollar spent on harm reduction we save up to \$27. Yet we aren't investing in treatment and harm reduction anywhere near as much as we should. The Rethink Addiction campaign was established to help reduce



stigma and, in doing so, achieve historic policy and funding reform in Australia to ensure roughly half a million Australians can access quality addiction treatment and support services when they need it, for as long as they need it.”

**The way forward:**

- **Investing in prevention, early intervention, treatment, and harm reduction:**

Addiction is a health disorder that can be successfully managed with the right treatment and support. With appropriate multidisciplinary and integrated care, underpinned by wrap-around supports and timely follow-up, we can help Australians living with addiction to live healthier, happier, and more productive lives.

We know that investing in treatment alone is not enough. To reduce the harms of alcohol, tobacco, other drugs, and gambling, we must also bolster our efforts in prevention, early intervention, and harm reduction, which also have significant social, health and economic benefits.

- **Invest in evidence-based reform:**

Evidence-based reform can reduce the cost of addiction in Australia by supporting effective prevention, early intervention, treatment and harm reduction, and reducing the unintended consequences of policy and system responses on people living with addiction. Australia must leverage our experience as well as learn from other jurisdictions to implement effective, evidence-based reform to address all forms of addiction.

- **Investing in treatment alone is not enough. We must tackle stigma to promote help-seeking:**

We must reduce the impact of stigma and discrimination. Stigma is damaging and can delay help-seeking by years, even decades. Underlying stigma drives community, organisational, service delivery, and policy positions and responses to addiction. In order to ensure real change, we must tackle stigma to promote help-seeking and ensure that treatment and responses to addiction are effective.

To access the full report please follow this [link](#).

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**Rethink**

**Addiction**

### **About Rethink Addiction**

The Rethink Addiction campaign was launched by Turning Point in October 2020, and it has grown to represent [over 60 partner organisations](#) who are changing the conversation around alcohol, drugs, and gambling.

We work together to amplify the voices of lived and living experience and in doing so begin to unpack the damaging stigma that can further harms.

As a campaign we hold [live and virtual events](#), lead constructive discussion online through social media and provide facts, figures, and first-person accounts of lived experiences through our [real stories](#).

*For more information please visit: [www.rethinkaddiction.org.au](http://www.rethinkaddiction.org.au)*

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