

MPA 21

Bil Iechyd y Cyhoedd (Isafbris am Alcohol) (Cymru)

Public Health (Minimum Price for Alcohol) (Wales) Bill

Ymateb gan Balance

Response from Balance



### **Balance response to the Health, Social Care and Sport Committee's consultation on the Public Health (Minimum Price for Alcohol) (Wales) Bill**

Balance welcomes the opportunity to respond to the Health, Social Care and Sport Committee's consultation on the Public Health (Minimum Price for Alcohol) (Wales) Bill.

Balance is currently commissioned by 11 local authorities in the North East of England to deliver an evidence-based, population wide approach to alcohol harm reduction and in this context, Balance works with a range of partners to tackle alcohol-related issues. For more information visit [www.balancenortheast.co.uk](http://www.balancenortheast.co.uk)

#### **1. Introduction**

Balance believes that the introduction of a minimum unit price (MUP) for alcohol in Wales would be highly beneficial and would make a substantial contribution to reducing levels of alcohol consumption and its associated harms.

Consumption per drinker has doubled in the UK since the 1950s. There is no single solution to tackling alcohol-related harm and Balance feels that we need a package of measures to limit the affordability, availability and promotion of alcohol. However, independent evidence tells us that getting rid of the cheapest, strongest alcohol would have the most impact as it is typically consumed by young people and those drinking at harmful levels.

There is a large and significant body of international evidence which demonstrates that the price and affordability of alcohol is the key factor in driving consumption. In the 2009 Global Strategy, the World Health Organisation recommends introducing pricing policies to reduce alcohol-related harm and recognises the option to "establish minimum prices for alcohol where applicable" as an appropriate action.

Furthermore, Minimum Unit Price is already working in several countries, including Canada. Figures from British Columbia indicate that a 10% increase in average minimum price would result in a fall in consumption of 8%<sup>i</sup>; a 9% reduction in alcohol specific hospital admissions<sup>ii</sup>; a 32% reduction in wholly alcohol caused deaths<sup>iii</sup>; and a 10% fall in violent crime.<sup>iv</sup>

From a North-East perspective, the cheapest, strongest alcohol is responsible for some of the greatest problems in our local communities. Although more affluent groups of the population tend to drink at higher levels, the people in our most deprived communities suffer from the worst alcohol-related harms - harmful drinkers on the lowest incomes spend on average almost £2700 a year on alcohol, with 41% of the alcohol they consume purchased for less than 45 pence per unit.<sup>1</sup> These are the people who end up in hospital time and time again and die prematurely, whilst their families pay the price of cheap alcohol.

Taking all of this into account, Balance firmly welcomes the Welsh Government's commitment to introduce minimum unit pricing as an effective and evidence-based measure to reduce alcohol consumption and alcohol-related harm. More specific comments in relation to the general principles of the Bill, barriers to implementation and any unintended consequences are below.

## **2. The general principles of the Bill and the extent to which it will contribute to improving and protecting the health and well-being of the population of Wales.**

2.1 As noted above, there is a wealth of evidence to demonstrate that minimum unit pricing (MUP) is the single most targeted and effective intervention aimed at reducing alcohol-related harm, and there are strong indications that its introduction would significantly improve the health and well-being of people across Wales, whilst reducing a range of alcohol-related harms, such as alcohol fuelled crime and disorder. Introducing MUP at this time would be particularly important, given the recent announcement by the Welsh government that alcohol-related deaths in Wales increased by 9% in 2016 compared to 2015.<sup>2</sup>

2.2 Balance believes that it is important to reiterate the findings of research carried out by Sheffield University, on behalf of the Welsh government, which estimated the impact of minimum unit pricing in Wales from a health perspective. This indicated that once the full effects of MUP were in place, the policy would lead to approximately:

- 53 fewer deaths a year
- 1,400 fewer hospital admissions a year
- £131 million a year saved in healthcare costs
- £882 million in savings to society overall each year

2.3 Minimum unit pricing can also act as an extremely effective population measure, helping to reduce overall levels of consumption. Where MUP is particularly effective is at protecting the most vulnerable groups, as it reduces the amount of alcohol drunk by harmful drinkers who buy most of the cheap high strength alcohol. Survey evidence from Scotland shows that 30% of the population drink over 80% of the alcohol and it is this group which minimum unit pricing will target. As a result, moderate drinkers will experience a very small impact with costs expected to rise by only £8 per year with the proposed 50 pence per unit minimum price<sup>3</sup>.

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<sup>1</sup> Effects of minimum unit pricing for alcohol on different income and socioeconomic groups: a modelling study Holmes et al May 2014

<sup>2</sup> Welsh government (14 November 2017), 'Increase in alcohol-related deaths in Wales – new report shows'. Available at <http://gov.wales/newsroom/health-and-social-services/2017/item/?lang=en>

<sup>3</sup> Scottish Government (2014) Scottish Government's position on Minimum Unit Pricing of alcohol

### **3. Any potential barriers to the implementation of the provisions and whether the Bill takes account of them**

3.1 Balance believes that it is worth acknowledging that local authorities will be affected by an obligation to monitor compliance under the new legislation and to act against businesses which fail to comply. Local authority budgets are coming under increasing pressure from budget cuts, and the effectiveness of legislation could be undermined by an authority's ability to devote sufficient resources to monitoring and enforcing the legislation.

However, we feel that it is difficult to predict the potential costs to local authorities, or the possible extent of non-compliance. There may also be longer term savings for local authorities from the introduction of MUP, in terms of a reduction in the burden on services which respond to alcohol misuse, such as street cleaning services and anti-social behavior units. For example, Balance estimates that alcohol impacts on social services costs in the North East to the tune of £121m a year. Similarly, the alcohol harm costs the wider North East economy a further £353m a year. As drinking patterns in Wales and our region are similar, it is to be expected that the costs of harm will also be similar and that the introduction of MUP would reduce those costs. Finally, local authorities are responsible for monitoring compliance with the current below cost sales ban – the introduction of a regulated MUP would potentially be easier to monitor than the existing arrangements.

### **4. Whether there are any unintended consequences arising from the Bill**

4.1 One consequence of MUP, though not necessarily an unintended one, is that more people may seek help from substance misuse services. An increase in demand could place existing services under further pressure, and it is crucial that this is considered.

4.2 Several potential negative consequences of the Bill have been suggested, and we summarise these below, and give our response to each.

4.3 A common criticism of MUP is that it is a **'tax on the poor'**, which would place financial pressure on lower income groups.

However, the results of a study published in the Lancet showed that a minimum unit price (MUP) of 45p would reduce deaths and hospital admissions among high risk drinkers but have negligible effects on low-income moderate drinkers'. Produced by the University of Sheffield, the paper provided the most in-depth analysis of consumer responses to changes in alcohol prices yet.

According to the authors' predictive models, MUP is estimated to have the most pronounced effects on the 5% of the population whose drinking is classified as harmful (more than 50 units per week for men, and more than 35 units per week for women). Three quarters of the total reduction in alcohol consumption resulting from MUP would occur in harmful drinkers, with a predicted total reduction in alcohol-related deaths of 860 per year and hospital admissions by 29900 per year after the policy has been in effect for 10 years.

Harmful drinkers in the lowest income quintile (bottom 20%) would be most affected by minimum pricing, because on average around two-fifths (41%) of the alcohol they consume is purchased for less than 45p per unit, putting this group at greatest risk of health harm from alcohol. These low

income harmful drinkers are projected to reduce their alcohol by nearly 300 units per year under minimum unit pricing and they would also accrue 81.8% of reductions in premature deaths and 87.1% of gains in terms of quality-adjusted life-years.

In contrast, the effects on low-income moderate drinkers would be very small, as moderate drinkers in the lowest income group buy on average less than one unit of alcohol per week below the 45p threshold. They would reduce their consumption by an estimated 3.8 units (approximately 2 pints of beer) per year, with an increase in spending of just 4p per year. Across the entire population, moderate drinkers are estimated to reduce their consumption by just 1.6 units (approximately 1 pint of beer) and spend just 78p more per year.<sup>4</sup>

In short therefore, it can be argued that **MUP does not unfairly discriminate against low income groups, particularly those drinking at moderate levels**. However, those who drink at harmful levels in lower income groups drink greater amounts on average than those drinking at harmful levels in higher income groups. The harms caused by this increased consumption are compounded by the broader health inequalities that those from poorer backgrounds face. Alcohol-related deaths are around 7.7 times higher in the most deprived areas than in the least deprived areas<sup>5</sup>, while alcohol-related hospital admissions are eight times higher<sup>6</sup>. Harmful drinkers on low incomes will therefore benefit most from MUP in terms of improved health outcomes and general wellbeing.

4.4 Concern has also been expressed that MUP could lead to increases in dependent drinkers **committing crime to obtain alcohol**, or that dependent drinkers may choose to consume harmful alcohol substitutes such as methylated spirits.

4.5 However, a study of dependent drinkers' behaviour following an increase in the price of alcohol found that these unintended effects were very uncommon and unlikely.<sup>7</sup> A review of the negative impacts of MUP has concluded that, 'unintended negative consequences from MUP are minor in comparison with the substantial health, social and economic benefits the policy creates.'<sup>8</sup>

4.6 Another concern is that MUP may lead to increased profits for some alcohol producers and retailers in the off-trade, due to the increased prices of the cheapest products. Increased profits could then be spent on activity (e.g. alcohol marketing) which are linked with alcohol harm. However, we believe that, on balance, the large benefits of MUP in terms of people's health significantly outweigh this potential consequence.

4.7 Finally, concern has been expressed that MUP would negatively affect pubs. However, assuming the MUP is set at 50p, pub prices will be left unchanged. For example, with a 50p MUP, a pint of average strength beer could not be sold for less than around £1, but this is well below the cost of average prices in the on trade. In fact, according to a Balance survey carried out in 2012, most

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<sup>4</sup> Effects of minimum unit pricing for alcohol on different income and socioeconomic groups: a modelling study Holmes et al May 2014

<sup>5</sup> Scottish Government (2014) Scottish Government's position on Minimum Unit Pricing of alcohol

<sup>6</sup> NHS Scotland Information Services Division (2015) Alcohol-related hospital admissions 2014-15 [www.isdscotland.org/Health-Topics/Drugs-and-Alcohol-Misuse/Publications/2015-10-13/2015-10-13-ARHS2014-15-Report.pdf](http://www.isdscotland.org/Health-Topics/Drugs-and-Alcohol-Misuse/Publications/2015-10-13/2015-10-13-ARHS2014-15-Report.pdf)?

<sup>7</sup> Falkner, C. et al (2016), The effect of alcohol price on dependent drinkers' alcohol consumption, *New Zealand Medical Journal* 128: 1427, pp9-17.

<sup>8</sup> Stockwell, T. & Thomas, G. (2013), Is alcohol too cheap in the UK? The case for setting a Minimum Unit price for alcohol. London: Institute of Alcohol Studies.

publicans in the North-East support MUP and believe that cheap alcohol, sold by the off-trade, represents the biggest threat to their livelihoods going forward. Rather than affecting the on trade, MUP would increase the price of the cheapest, strongest, most harmful alcohol in our supermarkets and off-licenses and provide a boost to our pubs and clubs, which are currently closing daily and suffering from the impact of pocket money prices.

4.8 Similarly, for the population as a whole, public opinion research commissioned by Balance shows that 54% of people would support the introduction of MUP<sup>9</sup>. Furthermore, MUP has the backing of large sections of the medical community, the police and other public services, due to the compelling evidence base which demonstrates how MUP could reduce the burden on the frontline.

For example, a recent Balance survey of the North-East Ambulance Service found that, for most respondents, alcohol takes up as much as half of their time which prevents them from deploying their services in other areas of often significant need. There is also a significant cost involved. Across all the emergency services in the UK, it is estimated that alcohol costs £2.845 billion every year. Minimum unit pricing would have clear benefits to the emergency services by reducing the overall cost burden on these services and ensuring staff feel safer when carrying out their duties.

Overall therefore, we fully support the Welsh Government's proposals and agree that there are hugely strong and compelling arguments for introducing MUP at the earliest opportunity in Wales.

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<sup>i</sup> Stockwell, T., et al. (2012), [The Raising of Minimum Alcohol Prices in Saskatchewan, Canada: Impacts on Consumption and Implications for Public Health](#). American Journal of Public Health

<sup>ii</sup> Stockwell, T., et al. (2013), Minimum alcohol prices and outlet densities in British Columbia, Canada: Estimated impacts on alcohol attributable hospital admissions. American Journal of Public Health

<sup>iii</sup> Zhao, J., et al. (2013), [The relationship between changes to minimum alcohol price, outlet densities and alcohol-related death in British Columbia, 2002-2009](#). Addiction.

<sup>iv</sup> Stockwell, T., et al. currently unpublished research on the effects of minimum pricing on crime in Canadian provinces