

MPA 24

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

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

Ymateb gan Alcohol Health Alliance UK

Response from Alcohol Health Alliance UK



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

About the Alcohol Health Alliance UK

The Alcohol Health Alliance UK (AHA) is a group of over 50 organisations including the Royal College of Physicians, Royal College of GPs, British Medical Association, Alcohol Concern and the Institute of Alcohol Studies. The AHA works together to:

- Highlight the rising levels of alcohol-related health harm
- Propose evidence-based solutions to reduce this harm
- Influence decision makers to take positive action to address the damage caused by alcohol misuse

1. Introduction

1.1 The AHA welcomes the opportunity to respond to this consultation. Our comments in relation to the general principles of the Bill, barriers to implementation and any unintended consequences of the Bill 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 The Alcohol Health Alliance welcomes and supports this legislation. We have long supported minimum unit pricing for alcohol.

2.2 Minimum unit pricing (MUP) is one of the most effective and cost-effective measures to reduce alcohol-related harm, and it will improve and protect the health and well-being of the population of Wales significantly.

2.3 Introducing this measure at this time is especially important, given the recent announcement from the Welsh government that alcohol deaths in Wales increased by 9% in 2016 compared with 2015.¹

2.4 Committee members will be aware of the work Sheffield University has done on behalf of the Welsh government to estimate the impact of minimum unit pricing in Wales on population health. This work is referenced in the Explanatory Memorandum for the bill. To summarise some of the Sheffield team's key findings, once the full effects of the policy are in place, MUP in Wales is estimated to lead to:

- 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

2.5 At the same time, reductions in drinking will predominantly occur amongst high-risk drinkers, with moderate drinkers barely noticing the difference. According to Sheffield University's analysis, under a 50p MUP moderate drinkers will spend just £2.37 a year more on alcohol, and consume just 6.4 fewer units a year.²

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

3.1 We would draw attention to the fact that there will be costs associated with the enforcement of the Act by local authorities, at a time when local authorities are under tight financial pressures.

3.2 The Welsh government will need to ensure that local authorities have sufficient funds and support in order to carry out their enforcement work.

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. Treatment services should be funded adequately to meet this demand.

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

¹ 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>

² Sheffield University (2014), Model-based appraisal of minimum unit pricing for alcohol in Wales. Available at <http://gov.wales/docs/caecd/research/2014/141208-model-based-appraisal-minimum-unit-price-alcohol-en.pdf>

4.3 A common criticism of MUP is that it is a 'tax on the poor', and that it will place financial pressure on lower income groups who, like most people, enjoy having a drink, and who are already struggling financially.

4.4 In response to this, we would point that **all moderate drinkers, including those in poverty, are estimated to barely change their spending in response to MUP**. Sheffield University's modelling estimates that moderate drinkers who are not in poverty will spend an average of £2.44 more per year under a 50p MUP.³

4.5 In contrast, **moderate drinkers who are in poverty will see a smaller rise in their spending**, at an average of £2.15 per year under a 50p.⁴

4.6 It is true that, according to Sheffield's analysis, high-risk drinkers (making up 5.7% of the Wales population) are estimated to spend an average of £32 more per year under a 50p MUP⁵, and this increase in spending is likely to be felt more by those on low incomes. However, this increase in spending would occur whilst these high-risk drinkers (who are consuming over 71 units of alcohol per week) decrease their alcohol consumption by 13%, bringing numerous health benefits. We believe that, on balance, these health gains should outweigh other concerns.

4.7 In addition, overall we know that it is those on low incomes who have the most to gain from MUP, with 8 out of 10 lives saved from MUP predicted to come from the lowest income groups.⁶

4.8 Finally, we would point out that since Sheffield University's modelling work for the Welsh government in 2014, research has suggested that in England, a 50p MUP would mean that **harmful drinkers in poverty will actually spend £88 less per year**.⁷ This is because harmful drinkers are predicted to drastically cut their drinking in response to MUP. We see no reason why this analysis could not be applied to Wales.

4.9 Concern has been expressed that MUP could lead to increases in dependent drinkers committing crime in order to consume alcohol, or that dependent drinkers may choose to consume harmful alcohol substitutes such as methylated spirits in order to get drunk.

³ Ibid.

⁴ Ibid.

⁵ Ibid.

⁶ Ibid.

⁷ Meier, P. et al (2016), Estimated Effects of Different Alcohol Taxation and Price Policies on Health Inequalities: A Mathematical Modelling Study, *PLOS Medicine*. doi: <http://dx.doi.org/10.1371/journal.pmed.1001963>

4.10 However, a study of dependent drinkers' behaviour following an increase in the price of alcohol found that these effects were very uncommon.⁸ 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.'⁹

4.13 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.

4.14 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 beer prices.

4.15 MUP could actually be good for pubs, as it will increase the price of cheap supermarket alcohol which has been able to undercut pub prices, and lead to more people deciding to drink at home. In addition, research done by the Institute of Alcohol Studies found that pub managers support minimum unit pricing by a margin of 2 to 1.¹⁰

⁸ Falkner, C. et al (2016), The effect of alcohol price on dependent drinkers' alcohol consumption, *New Zealand Medical Journal* 128: 1427, pp9-17.

⁹ 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.

¹⁰ Institute of Alcohol Studies (2017), Pubs Quizzed: What Publicans Think About Policy, Public Health and the Changing Trade. Available at:

<http://www.ias.org.uk/uploads/pdf/IAS%20reports/rp26092017.pdf>