

## Alcohol Misuse and Minimum Unit Pricing

*A briefing paper from the British Medical Association (BMA), Alcohol Focus Scotland (AFS) and Scottish Health Action on Alcohol Problems (SHAAP).*

### Introduction

The Scottish Government's proposal to introduce a minimum unit price (MUP) for alcohol is part of a wider alcohol strategy for Scotland, published in 2009, which reflects recommendations set out by the World Health Organisation (WHO) in its *Global strategy to reduce harmful use of alcohol*.

Legislation to introduce MUP was passed by the Scottish Parliament in 2012 and was due to come into force in Scotland in April 2013 but this has been delayed due to a legal challenge by trade bodies representing alcohol producers. The Scotch Whisky Association (SWA), the European Spirits Association (previously CEPS now renamed Spirits Europe) and Comite European des Entreprises, Vins (CEEV) petitioned the Court of Session for a Judicial Review of the Act. This legal challenge was unsuccessful, but an appeal has since been lodged, further delaying implementation of MUP in Scotland.

BMA Scotland, AFS and SHAAP have campaigned for the introduction of a minimum unit price since 2007 and believe that as part of a comprehensive alcohol strategy, it is the most effective policy to address the affordability of cheap, high alcohol content drinks in Scotland.

Alcohol misuse is a problem for many member states of the EU and effective regulation and interventions are required.

### Alcohol in Europe – the facts

- Alcohol is a leading risk factor for disease burden<sup>1</sup>
- The European Union (EU) is the region with the highest alcohol consumption in the world<sup>2</sup>
- Each year, around 120,000 EU citizens aged 15-64 years, die prematurely from alcohol<sup>3</sup>
- Alcohol costs each EU citizen €311 a year in terms of lost productivity, and costs to the health, welfare and criminal justice systems<sup>4</sup>.

While Scotland has one of the highest levels of alcohol consumption in Europe, the problems of alcohol related health harms are not isolated to Scotland. The WHO notes that at societal level, the EU is the heaviest drinking region in the world, with some European countries ranking 2.5 times the

<sup>1</sup> <http://www.add-resources.org/new-figures-released-alcohol-grows-as-risk-factor-for-death-and-disability-corrected-version.5142425-76188.html>

<sup>2</sup> World Health Organisation (2012) Alcohol in the European Union

<sup>3</sup> Amphora (2012) Manifesto on Alcohol <http://www.amphoraproject.net>

global average. The WHO European region has the highest worldwide proportion of total ill health and premature death due to alcohol.

### Health impacts of alcohol

Alcohol is the world's third largest risk factor for disease burden and the second largest in Europe<sup>4</sup>.

The scale of alcohol consumption throughout Europe and especially in Scotland represents a significant cause of medical, psychological and social harm which is placing an unsustainable burden on our healthcare services. Alcohol is causally related to over 60 different medical conditions and is a contributory factor in domestic violence, child abuse and criminal and disorderly behaviour.

Research has shown that men who drink three or more alcoholic beverages daily have an elevated risk of atrial fibrillation. Another study found people who occasionally binge drink may have a heightened long-term risk of suffering a stroke, even if they do not regularly drink heavily<sup>5</sup>.

Daily drinking of relatively small amounts of alcohol can lead to liver cirrhosis as a result of continuous damage to the liver over a long period<sup>6</sup>. A study published by the World Cancer Research Fund states that just two units of alcohol a day increases the risk of bowel cancer by 18% and the risk of liver cancer by a fifth<sup>7</sup>.

### Alcohol in Scotland

- In 2011, men consumed 15 units of alcohol a week on average, and women consumed an average of 7.4 units a week.
- A quarter of men and just under a fifth of women (18%) were categorised as hazardous or harmful drinkers (defined as men drinking more than 21 units per week and women drinking more than 14) in 2011.
- One in five adults (25% of men and 17% of women) drank more than twice the recommended daily limit on their heaviest drinking day.
- In 2011, there were 1,247 alcohol-related deaths in Scotland (where alcohol was the underlying cause of death).
- In 2011/12, there were 38,724 alcohol-related discharges from a general acute hospital in Scotland (a rate of 689 discharges per 100,000 population).
- The rate of alcohol-related general acute hospital discharges is approximately 7 times greater for patients living in the most deprived areas compared to those living in the least deprived areas.
- Alcohol harm costs Scotland £3.6 billion a year (from [The Societal Cost of Alcohol Misuse in Scotland for 2007](#))

*Source: ISD Scotland Drugs and Alcohol Misuse*

By global standards, Scotland consumes very high levels of alcohol. Even within the European Union, Scots consumption is above average and the pattern of consumption, allied to other health factors, means that there is a significant impact on individuals, families and communities.

<sup>4</sup> World Health Organisation *Alcohol Factsheet*, February 2011, <http://www.who.int/mediacentre/factsheets/fs349/en/index.html>

<sup>5</sup> The Glasgow Herald 'Stroke risk from alcohol', 8 December 2008

<sup>6</sup> Babor et al, Alcohol: no ordinary commodity, Oxford University Press, 2003

<sup>7</sup> The Glasgow Herald 'Drinking one pint of beer a day increases cancer risk by 20%', 27 December 2008

Alcohol related hospital discharges in Scotland have quadrupled since the early 1980s with more than 100 Scots being admitted to hospital each day. Deaths caused by alcohol have doubled in recent decades with Scotland having one of the fastest growing chronic liver disease and cirrhosis rates in the world.

A recent study more fully described the burden of harm due to alcohol. It estimated that one in 20 deaths in Scotland were attributable to alcohol.

### **The Role of the Retailer**

In the UK, two-thirds of alcohol consumed is purchased through the off-trade with large supermarkets accounting for 84% of all alcohol sold through the off-trade. Supermarkets have a dominant market position in alcohol sales due to their ability to cross-subsidise products from across their fast range of produce. Supermarkets admit to selling alcohol as a loss leader to attract customers and to absorbing increases in excise duty to maintain low retail prices. Today alcohol is available for as little as £0.15 (€0.19) price per unit (ppu) in Scotland. A two litre bottle of cider (5% abv) can cost just £1.89 (€2.34). A man can drink at the recommended limit for daily alcohol consumption for as little as £0.60 (€0.74) and the weekly limit for £3.15 (€3.90). A woman can drink at her daily limit for £0.45 (€0.56) or her weekly limit for £2.10 (€2.60).

Much of the criticism of MUP raised during the EU consultation process is a reflection of criticisms raised by the alcohol industry (i.e. retailers, producers and trade associations) during the progress of legislation in Scotland. However, a recent study of industry submissions to the Scottish Government's 2008 consultation on its alcohol policy concluded that the industry had 'ignored, misrepresented and undermined' scientific evidence<sup>8</sup>. Researchers found that many submissions from the industry were critical of the evidence used by the government to justify the policy, but they failed to produce any strong evidence of their own and instead relied on 'unsubstantiated claims' and 'weak evidence' such as opinion polls, to justify their opposition.

### **Minimum Unit Pricing**

Given the scale of the problem in Scotland, there is a demonstrable need for stronger action on alcohol misuse and it is widely acknowledged that central to any comprehensive alcohol strategy are measures to tackle the affordability of alcohol. There is strong and consistent evidence that increases in the price of alcohol are associated with reduced consumption and alcohol-related harm at a population level.

Minimum Unit Pricing has been recognised as an effective pricing policy measure by the UK House of Commons Health Select Committee (January 2010), the World Health Organisation (Global Alcohol Strategy May 2010) and the National Institute for Clinical Excellence (June 2010). Minimum pricing will primarily target high strength drinks, sold at the cheapest prices and most often drunk by the heaviest drinkers.

Economic modelling conducted by the University of Sheffield has estimated that an initial minimum price of 50p per unit, as proposed by the Scottish Government, would save 60 lives in its first year after implementation, rising to 300 lives per year after 10 years of implementation. This modelling also showed that those who drink to excess would be affected more than those who drink modestly.

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<sup>8</sup> McCambridge J, Hawkins B, Holden C (2013) Industry Use of Evidence to Influence Alcohol Policy: A Case Study of Submissions to the 2008 Scottish Government Consultation. PLoS Med 10(4): e1001431. doi:10.1371/journal.pmed.1001431

Canada is among six countries to have already implemented some form of minimum alcohol pricing, the others being USA (selected states), Russia, Moldova, Ukraine and Uzbekistan. Canada operates a scheme called 'social reference pricing' (SRP). SRP, introduced in 1990, has both a public health and a government revenue rationale and which, with other policy measures, forms the Canadian model of alcohol control. Evidence from a recent study of minimum pricing in the Canadian province of British Columbia suggests that a 10% increase in the minimum price of an alcoholic beverage reduces consumption of all alcoholic drinks by 3.4%<sup>1</sup>. As observed in this study, price changes may have different effects on different alcoholic beverages. A 10 per cent increase in the minimum price resulted in a reduction in the consumption of spirits and liqueurs by 6.8%; wine by 8.9%; alcoholic sodas and ciders by 13.9%; and beer by 1.5%. The results of a more recent study show that a 10% increase in the average minimum price for all alcoholic beverages was associated with a 32% reduction in wholly alcohol attributable deaths in British Columbia<sup>9</sup>.

### **Is minimum pricing compatible with European Law?**

Minimum pricing is one of the measures set out in the Scottish strategy to tackle alcohol misuse. It is a measure that has achieved cross-party support in the Parliament and reflects the seriousness of Scotland's drinking problem.

Health campaigners have welcomed Commissioner Borg's statement of support, in principle, for minimum pricing as a means of reducing alcohol consumption (European Parliament Environment, Public Health & Food Safety Committee, 7 May 2013). His comments followed the Scottish High Court's decision of 3 May 2013 to rule against the Scotch Whisky Association's legal challenge to the Alcohol (Minimum Pricing) Scotland Act 2012 which established the legal framework to introduce MUP at an initial rate of 50 pence per unit.

As part of the Judicial Review Process the Court of Session considered the compatibility of the measure with EU law. This would depend on whether the trade restrictions of minimum price (Article 34) were justified by the public health benefits of the measure (Article 36). During the hearing, Lord Doherty carefully considered whether MUP was a proportionate measure and whether the benefits of minimum price could be achieved by other measures. The Court's finding was: "It follows that in my opinion the Article 36 justification has been made out. There is objective justification supporting the proportionality of the Act and the proposed minimum price. The Scottish Courts have found that the measure is compatible with EU law and that this is a legal decision which is appropriate for a national rather than an EU court to make". The Court also dismissed claims made by the petitioners that EU regulations on wine and spirit market arrangements made MUP illegal, taking the view that these EU regulations are trade harmonising measures that do not deal with pricing or health, which remain matters for member states to deal with<sup>10</sup>.

### **Conclusion**

Scotland has a significant problem with the health and social harms caused by excessive alcohol consumption. It is therefore incumbent on the Scottish Government to do all it can to find solutions to this problem. We firmly believe that minimum pricing, as the central part of a wider alcohol strategy, will have a positive impact on public health.

<sup>9</sup> Stockwell T, Thomas G. *Is alcohol too cheap in the UK? Setting the case for a Minimum Unit Price for alcohol*. Institute of Alcohol Studies 2013

<sup>10</sup> AFS/SHAAP *Minimum Unit Pricing in Scotland, Briefing on Court of Session Judgement*, May 2013.