

**Addictions and Lifestyles** in Contemporary Europe **Reframing Addiction Project** 





## Cutting-edge research seminar on alcohol pricing for UK policy-makers

Scope of the seminar: Scientists from ALICE RAP and RAND Corporation organised an invitationonly meeting in February 2012 of UK senior policy-advisors and researchers working on alcohol pricing and related issues.(1) The meeting aimed to address some of the specific questions policy-makers in the UK faced as they considered price policy options.

The UK drinking problem: The majority of alcohol sales in the UK (over 80%) is bought for unhealthy consumption (e.g. over daily 'sensible' limit of 32 grams alcohol for men) and over half for binge drinking.

Well-being: Alcohol policy can be better aligned with well-being objectives, and can be designed to improve individual and societal wellbeing.

Participants heard that Corporate Social Responsibility is ineffective to counteract strong incentives for industry to sell more alcohol, and is

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often seen by consumers as a meaningless PR tactic.

Alcohol in the downturn: In circumstances of lax alcohol policy, populations appear to be more susceptible to economic shocks and these have more serious impacts on health and mortality. Price restrictions, especially in context of strong strategy, make it more difficult for people to self-harm with alcohol.

Not a blunt instrument: Work carried out by the Institute of Fiscal Studies has suggested that low income groups are less likely to drink, and that, at a population level, minimum unit pricing is unlikely to be significantly regressive. On the other hand, minimum pricing policies will have a greater impact on hazardous and harmful drinkers, who need more help to modify behaviour.

The Sheffield model study Found that total savings to society in the first year of a 50p minimum unit price were estimated at just under £10 billion, spread across different sectors (i.e. with savings in unemployment, absenteeism, heath costs, mortality, crime and quality of life), with increases in VAT receipts cancelling out reduced sales.

The Canadian experience: Data from studies of Canadian minimum pricing policies in two provinces showed positive health and revenue returns, and indicated a greater effect for minimum unit prices, which target higher alcohol beverages.

A number of potential unintended consequences of pricing policies were explored – other drugs (not a problem), illicit alcohol (not a problem), cross-border trade (only has an impact near borders).

**Behavioural** economics: Price interventions alone are not enough, and other behavioural elements to price interventions (e.g. positioning for alcohol in establishments, timing for price disclosure, and salience of price) can augment the impact of alcohol pricing in a policy package.

## Reference

nts/past-alice-rap-

## **Further reading**

• WHO (2012) Alcohol in the European Union Consumption, harm and policy approaches

**Berzelius symposium 87 · The Fifth European Alcohol Policy Conference** Partner of the AMPHORA project, the



Swedish Society of Medicine will organise a symposium in Stockholm, 18 - 19 October, 2012 to support a dialogue between alcohol science and policy and to inform Future directions of European actions.

For more information see the conference web page

## Newcastle Meeting Reminder to partners to

register for the Second ALICE RAP General Partners' Meeting, to take place in Newcastle on the 15 – 17th of May 2012. Download the joining instructions