

Minimum Unit Pricing for Alcohol

Unreliable memoirs on the history of an idea

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As required by the Alcohol Policy 19 conference, I have signed a disclosure statement and note the following conflict(s) of interest:

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Minimum Unit Pricing for Alcohol: *Its past, present and future in a post-pandemic world*

*In approximate order of potential effectiveness
(low to high):*

- 1. A brief history of the idea and early Canadian studies**
- 2. Alison Douglas: MUP in Scotland: the evidence so far, COVID and future plans**
- 3. Adam Sherk: Recent international modelling studies on MUP**

New WHO Evidence Review

Released, June, 2022



Minimum Pricing:

Measures to set a floor price for alcohol

(In approximate order of potential effectiveness)

(low to high):

- 1. Bans on below-cost alcohol (UK)**
- 2. Fixing a minimum profit margin (US)**
- 3. Setting a minimum retail price per litre of beverage (Canada)**
- 4. Setting a minimum price per unit of alcohol (Scotland)**

100 Years of Minimum Alcohol Pricing: Ontario 1920s to Oregon 2020s

Approximate order of potential effectiveness

- 1. Ontario, Canada 1920s, post-Prohibition**
- 2. Some former Soviet countries - 1980s?**
- 3. Alice Springs, Australia 2006 min price**
- 4. All Canadian provinces by 2010**
- 5. MUP-like rates SASK (2010), MAN (2015)**
- 6. Scotland (2018), NT (2018), Wales (2020),
Oregon (2021), Ireland (2022)**

Minimum pricing started in Ontario soon after Prohibition ended in 1927

A liquor control officer destroys brewing equipment



Liquor Prohibition in Ontario, Canada circa 1920

A police raid to confiscate illegal alcohol at Elk Lake, Northern Ontario



Minimum Price Rates in US\$ per 14 g drink

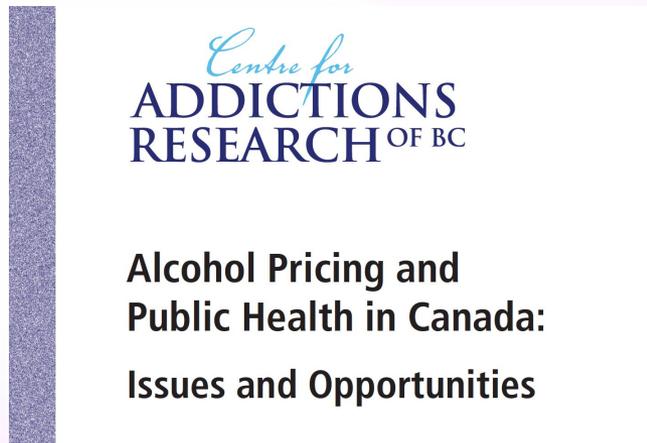
1. Oregon: **US\$0.49** – or US\$10.95 per Litre (80 Proof) –
(NB higher rates for smaller containers)
2. Scotland: **US\$1.06** – or 50p per 8g ‘unit’
3. Canada: **US\$1.42** – or CA\$1.75 per 13.45g drink
4. Australia: **US\$1.27** – or AU\$1.30 per 10g drink
5. Ireland: **US\$1.43** – or €1 per 10g drink

Early publications that influenced recommendation of MUP in Scotland

Scottish Parliament (2007)
“Scottish Government should establish *minimum prices* for alcoholic drinks”



CARBC (2006)
“..*minimum ‘social reference’ prices...*an amazingly powerful tool to promote health”



Brennan et al, (2008) UK Dept Health
“*minimum prices per unit of alcohol...* show steep increases in effectiveness”

All of Canada's 10 provinces now set minimum prices for alcohol in liquor stores and/or bars



Research inputs leading to adoption of MUP in Scotland

Approximate order of potential effectiveness

1. Sheffield Alcohol Policy Model:

Commissioned reports by Scottish government re potential impacts by MUP level by age, gender, SES – major impact

2. Canadian Minimum Pricing Research

Observed effects of changes in Minimum Pricing levels on consumption and harm

Canadian publications on Minimum Pricing

1. Observational studies of impact

10 journal articles

Sherk et al (*DAR*, 2018); Zhao et al (*Addiction*, 2013 & 2018); Thompson et al (*JPHP*, 2017); Stockwell et al (*Addiction*, 2012 & 2013), (*AJPH*, 2012, 2013), (*JSAD*, 2015), (*DAR*, 2017),

2. Modelling studies

2 journal articles and 3 commissioned reports

Sherk et al (*JSAD*, 2020); Stockwell et al (2017, 2018, 2019);

Hill-McManus et al (*CARBC*, 2012)

Plus: commentaries and unpublished reports for stakeholders

Available in public domain and on request

Key Findings of Canadian studies

We had privileged access to comprehensive monthly price and sales data from two government alcohol monopolies

- A 10% increase in MP was significantly associated with:
 - Reduced consumption: -3.4% BC, -8.4% Saskatchewan
 - Reduced AA deaths (-32%) & hospitalizations (-9%, BC)
 - Reduced AA crime (-9% BC, not Saskatchewan)
- Consumption reduced most for off premise sales
- MUP-like policy in Saskatchewan led to consumers switching from high to lower strength beer and wine
- Impacts of MP increases GREATEST in low SES areas

Unintended consequences of higher prices?

A separate series of studies was undertaken with >300 people with severe alcohol dependence and homelessness to gauge coping strategies when alcohol is unaffordable

- Most coping responses involved consuming less alcohol e.g. waiting for welfare cheque, seeking treatment, collecting containers for recycling, using more cannabis
- Hardly anyone reported increases in stealing or consumption of non-beverage alcohol

This is consistent with findings from other countries including recent Scottish study finding minimal impact of MUP on people attending treatment services

Seven Virtues of Minimum Alcohol Pricing

1. Unlike other pricing strategies (e.g. excise taxes) it especially targets heavier drinkers
2. It effectively reduces consumption, hospital admissions, deaths and crimes related to alcohol
3. It raises revenue for government
4. It protects profits of producers and retailers
5. It is broadly acceptable to the general public
6. It is consistent with international trade laws
7. It reduces health inequalities
8. It is a 'sweet spot' policy for COVID recovery



Thank you!

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