Alcohol etc. (Scotland) Bill

Academy of Medical Royal Colleges and Faculties in Scotland

Response from The Royal College of Psychiatrists, Scotland, Royal College of Physicians of Edinburgh, Royal College of Radiology, Royal College of Surgeons of Edinburgh, College of Emergency Medicine, Royal College of Anaesthetists Scottish Board, Academy Trainee member.

Introduction

The Royal College of Physicians of Edinburgh (RCPE) and Royal College of Psychiatrists have been at the forefront of raising awareness about the alarming increase in alcohol-related harm which has seen alcohol-related deaths in Scotland double in the last 15 years and which now accounts for the death of one person in Scotland every 3 hours (or 2882 deaths per year).\(^1\) Alcohol-related harm disproportionately affects people in the most deprived areas of Scotland, where men are 16 times more likely to die as a result of chronic liver disease (85% of deaths being related to alcohol abuse)\(^2\), than those in the least deprived areas, and is estimated to cost £2.25 billion per year.\(^3\) The scale of the problem requires radical action and strong political leadership.

In addition to raising awareness about the catastrophic health impact of the nation’s excessive alcohol consumption, the RCPE has advocated the adoption of evidence-based policy measures likely to have the greatest impact in reducing premature death and alcohol-related ill health and was instrumental in establishing the medical advocacy body, Scottish Health Action on Alcohol Problems (SHAAP). The RCPE continues to work with SHAAP and others to promote effective governmental and public health policy on alcohol.

Against this background, the Scottish Academy strongly welcomes the publication of the Alcohol etc. (Scotland) Bill and the measures contained within. We believe that this Bill represents a commitment from the Scottish Government to tackle alcohol abuse in a meaningful way, which recognises the irrefutable causal link between the price of alcohol, the level of consumption and alcohol-related harm. Significantly, the Alcohol etc. (Scotland) Bill recognises that alcohol abuse requires to be tackled at a population level via a comprehensive package of measures that are targeted both at problem drinkers and at the wider populace (in which the level of consumption has risen significantly and worryingly in recent years).
Detailed response

Questions 1-4: Minimum Pricing

Evidence base and rationale

A large body of scientific evidence now exists to provide an irrefutable link between the price of alcohol, the level of consumption and, in turn, the level of alcohol-related harm. This is one of the most researched areas of alcohol policy.\(^4\),\(^5\),\(^6\)

While the price of alcohol in the UK has decreased dramatically in real terms in recent decades (alcohol was 69% more affordable in 2007 than in 1980\(^7\)), alcohol consumption has doubled.\(^8\) In Scotland, which has 15 of the 20 worst areas for male alcohol-related deaths in the UK\(^9\), alcohol-related deaths have doubled during this period\(^10\) and mortality rates from alcoholic liver disease, hospital admissions from the acute effects of alcohol and the number of alcohol-related assaults have all risen dramatically\(^11\),\(^12\),\(^13\). This has occurred during a period in which alcohol has been promoted irresponsibly by large retailers, often at below cost and as a loss leader.

It is clear that if wishing to reduce alcohol-related harm, consumption has to decrease and the most effective mechanism of achieving this is to increase the price of alcohol. Various approaches to increasing price have been tried around the world, including taxation. However, research has shown that where a blanket levy is applied to all forms of alcohol (ranging from the low-cost to premium products), drinkers were found to have simply changed their brand choices from expensive to cheaper drinks (often with a higher alcohol volume). This research also highlighted that a greater decrease in consumption was obtained when cheaper drinks were targeted.\(^14\)

In Scotland, much attention has been drawn to the consumption of “Buckfast” because of the common association with alcohol-fuelled, anti-social behaviour. It has been argued that minimum pricing should not be adopted as it would not address this particular issue, principally because “Buckfast” is not a low-cost product. However “Buckfast” sales are very localised, do not feature prominently in alcohol-related harm in large areas of Scotland (W Morrison FRCPE, A&E Consultant, NHS Tayside, personal communication) and its consumption in problem drinkers, including young people from whom alcohol has been confiscated by the police, is dwarfed by the consumption of cheap cider and spirits (which would be affected by minimum pricing). In fact “Buckfast” comprises less than 1% of all alcohol sales in Scotland. This is therefore a side issue which should not detract from the wider benefits to be accrued through the implementation of minimum pricing.
Minimum pricing should not be seen as a policy measure which will tackle every form of alcohol abuse. It would focus on the lowest cost products favoured by the heaviest drinkers and would therefore provide an effective method of targeting this group without penalising the wider population.

It is recognised that the adoption of minimum pricing as a policy measure *per se* is relatively untested, and that only limited research has been published on minimum pricing to date. However, when this emerging evidence is considered along with the mass of scientific evidence in relation to consumption and cost, studies on the effects of other forms of price increases and a number of national and international reviews, minimum price has emerged as the policy measure most likely to reduce alcohol-related harm. This explains why after reviewing the evidence, the World Health Organisation, a range of leading international alcohol scientists, the House of Commons Health Committee, the Scottish and UK Medical Royal Colleges, the Chief Medical Officers of Scotland, England, Wales and Northern Ireland, the Directors of Public Health of every NHS Board in Scotland and the National Institute for health and Clinical Excellence (NICE) in England have all concluded that statutory minimum pricing should be implemented to reduce the increase in alcohol-related harm.

Scotland has a proud history of adopting innovative public health policy and similar political leadership will be required to implement this much-needed policy measure.

*At what level should a minimum price be set?*

The Scottish Academy believes that while this is an important area for discussion, it should not be allowed to detract from the more important matter of establishing the Scottish Parliament’s commitment to the principle of minimum price in the first instance. This happens in other areas of legislation where the legislative framework is enacted followed by detailed secondary legislation. The level at which the minimum price is set would then be a secondary matter. The approach should be to establish the principle of minimum pricing, set an initial price and monitor closely the impact of this and adjust the price accordingly. This monitoring is essential and requires prompt and good quality data.

There should be a requirement on the retail sector to share the information they have on sales patterns in the interests of public health.

With regard to the setting of the initial minimum price, we would commend examination of the approach of Professor Anne Ludbrook who has suggested that the minimum price be set in relation to estimates of the Heath and Social Costs of alcohol. In her paper in Health Economics in 2009, she estimated the social cost of alcohol as 45p per unit in Scotland, based on the then available data on the cost of alcohol related harm. This data has since been updated and we suggest that the Government update this estimate to inform its decision.
making. The setting of the minimum price is a matter for Government and should not be determined by other interest groups.

As the Committee will be aware, the Sheffield study modeled a range of possible minimum prices to be applied to a unit of alcohol\textsuperscript{16}. This estimated that if a 40p level was applied this would save about 70 lives in year one, rising to 365 lives per year by year ten in Scotland. As the level increased (e.g. to 50p), so did the level of impact. With regard to hospital admissions, a 40p level would reduce such admissions by 3,600 per year and a 50p unit per year by 8900.

Ultimately, the level at which a minimum price should be set is a political decision involving the benefit of reducing alcohol-related mortality and harm and the acceptability to the Scottish people.

**Alternatives**

The principal alternative means to increasing price is taxation. As previously noted, research has shown that blanket taxation increases do not reduce consumption in problem drinkers. The Scottish Parliament does not have the power to increase taxation on alcohol, as this is a reserved matter for Westminster. However, the Scottish Parliament could lobby Westminster to increase taxation on selected products, e.g. cider, where the duty paid per litre is only 26p compared to 65p for a similar volume and strength of beer. Similarly, Westminster could reduce the levy on lower strength beer and increase it on higher strength brews to encourage the alcohol industry to shift production from higher to lower strength beers. This would give drinkers an incentive to drink lower strength alcohol which could reduce alcohol-related harm. This approach has been tried in Australia, where 40% of the beer market now has an alcohol content of less than 3.8%, and alcohol consumption has decreased by 24% since 1980\textsuperscript{16}. However the evidence in favour of minimum pricing as the most effective policy means that we would advise exploring these fiscal measures to complement rather than replace minimum pricing. There are a range of effective actions to reduce alcohol related health harm and we regard these as complementary, not alternatives, to action on price.

With regard to alternative pricing mechanisms, these need to be effective and achievable. While many parts of the alcohol industry have shown responsibility during the debate on price in Scotland, others have not. We believe that pricing mechanisms which rely on the voluntary co-operation of the alcohol industry will be ineffective. Of the mechanisms examined by the University of Sheffield minimum price was found to be more effective and better targeted at problem drinking than general price increase, proportionate increases of cheap alcohol and bans on discounts for multiple purchase. These pricing mechanisms are not mutually exclusive. A combination of minimum price and increase in alcohol taxes, for instance, could be complementary.
There are a range of tools to address problem drinking. Changing Scotland’s Relationship With Alcohol, the Government’s action plan published in 2009 includes many action points, such as improved identification and treatment, advice to parents, improving schools based education, offering more diversionary activities, improving server training, community safety and policing measures, action on labeling and advertising among many others. Any effective alcohol policy will include a range of elements. There are few tools which will be effective for all types of problem drinking and drinking problems and none which are a panacea. We therefore find the wording of this statement wanting. A more appropriate question is how effective will a particular action be in a particular context in reducing harm.

The consistent finding of academic reviews, best summarized in the World Health Organisation’s publication Alcohol: No Ordinary Commodity is that change in the price of alcohol within a community is the most important determinant in changing rates of alcohol related harm within that community. The neglect of alcohol price in previous alcohol strategies in Scotland and elsewhere in the UK explains their lack of effectiveness and this is why the Royal College of Psychiatrists welcomed the focus on price in the Government’s Discussion paper in June 2008 and the Action Plan in February 2009.

There is considerable evidence on the relationship between price and harm and has been over many years. There has been increasing sophistication of this field of work and more recent studies have shown that the price of the cheapest form of alcohol, the floor price, is of particular importance (Gruenwald 2006). Changing the price of more expensive forms of alcohol has less effect on alcohol related harm.

Minimum alcohol pricing is a mechanism which affects the floor price of alcohol and is thus targeted at the retail practices which are most likely to result in harm and this is the reason why the Royal College of Psychiatrists continues to support minimum pricing as the most effective measure in the current Scottish context.

A survey of Scottish Psychiatrists and other mental health staff indicates a high level of awareness of alcohol related harms. Much of the work of our members is with the heaviest drinkers, including those with alcohol dependence and minimum pricing has the potential to have a significant beneficial effect on the drinking of that group.

The heaviest drinkers have been shown to be price sensitive, though studies looking at the impact of taxation changes (Wagenaar 2009) have shown the consumption of heavy drinkers are less price sensitive than others to these “across the board” price changes. This is likely to be explained by the substitution practice where heavy drinkers moved to cheaper brands. Minimum pricing is an effective way of preventing this “trading down.”
The influence of price on the beverage choices of those in contact with alcohol services was shown by the recent survey undertaken in Edinburgh by Black, Gill and Chick where 70% of the units of alcohol consumed were under 40p and 83% under 50p.

This is consistent with our own members’ observations in clinical practice where the popularity of super lagers in the 1990s was supplanted by white cider and vodka by the millennium as these drinks became cheapest.

For the reasons above, a major advantage is the potential for minimum pricing to reduce alcohol related problems in those individuals and communities which are currently hardest hit by alcohol related harm. These are predominately in areas of greatest social deprivation.

Minimum pricing is likely to lead to a reduction in the cost of alcohol related harm to health, social care, justice and other sectors and this will be of benefit to the whole community.

A further advantage is that minimum pricing is straightforward to monitor and, unlike a below cost selling or loss leading ban, does not rely detailed information on production, promotion and distribution costs for its implementation.

Minimum pricing will have an effect on the price of the cheapest alcohol. Duty increases may not affect the price to the consumer, depending on decisions made by producers and retailers.

It has been widely accepted in the business media that low cost supermarket alcohol is the main reason for the closure of good quality pubs and specialist off licenses with subsequent unemployment. Minimum unit pricing will shift the balance back to competition based on quality rather than competition based on price. This will be of benefit in restoring lost employment in this important sector.

We see few disadvantages, but will comment on some of the objections which we anticipate.

Increased use of other drugs. Some have claimed that less cheap alcohol will lead to increased use of other drugs. The evidence is that alcohol acts as a gateway drug for other drug use, including tobacco. The only evidence for substitution was in the limited setting of night clubs where the increased availability of ecstasy and amphetamine in the 1990s led to less alcohol use within the club. In other more common drinking settings, the use of alcohol and other drugs go together and so reduced alcohol consumption is likely to lead to less other drug use.

Increased expenditure on alcohol by low income families. There have been arguments that increasing the price of low cost alcohol will lead to less
expenditure on other items such as food and children’s clothing and this will be detrimental to family health and welfare. We do not accept this. It is likely that those families where there is substantial expenditure on low cost alcohol will already be experiencing alcohol related harm. This includes the considerable harm to children from adult drinking. Minimum price is likely to have the effect of reducing alcohol consumption which will in turn reduce harm to the individual and affected others.

Cross border alcohol trade. The important question is whether the level of any increased importation of alcohol due to cross border flow will be greater than a reduction brought about by minimum pricing. We believe the answer is no and international evidence supports this (Herttua 2008). Commentators who cite the example of the Irish border as an argument against differential pricing between Scotland and England neglect the crucial issue of currency exchange rates which are likely to be the main driver of consumer behaviour.

Overseas Markets and the Whisky Industry. Arguments that minimum pricing in Scotland will disadvantage Scottish products overseas are unconvincing. International trade agreements which regulate the operation of markets will prevent this. The narrowing of the price gap between cheap and quality spirits will be beneficial to the Scotch whisky industry which has been steadily losing market share to vodka in Scotland over recent years.

In summary, therefore, we believe that minimum pricing will have a considerable benefit on reducing the harm which comes from the consumption of the cheapest forms of alcohol. The University of Sheffield estimated that 64% of alcohol below 50p is consumed by those drinking more than 50 units (35 for women) per week. Only 9% of cheap alcohol is consumed by moderate drinkers.

This mechanism thus has particular potential to reduce the consumption levels of the heaviest drinkers whose consumption leads to the greatest harm.

Question 5: The advantages and disadvantages of introducing a social responsibility levy on pubs and clubs in Scotland

The range of views on this includes support for the general principle of “the polluter pays.” However, with current Scottish drinking practices it is difficult to identify the polluter. Work by the University of Strathclyde showed that many people involved in city centre anti-social behavior and offending had not been in a pub. Their alcohol purchases had been from the off sales sector. We therefore suggest that any social responsibility fee should be proportionate to the amount of alcohol sold by all outlets which might have an impact on a particular area. As this will be a wide range of outlets over a wide area, we suggest that the fairest approach is a flat rate levy applied to total sales volume over a wide geographical area.
Question 6: The justification for empowering licensing boards to raise the legal alcohol purchase age in their area to 21

While this proposal may not have as strong an evidence base as other areas of alcohol research, such as the link between price and consumption, evidence from other countries, most notably the USA, would suggest that enabling licensing boards to increasing the minimum legal drinking age from 18 to 21 in their areas could reduce alcohol consumption in this age group. We are also aware that many young people in Scotland ‘pre-load’ on alcohol purchased in an off-licence before going out for the evening and we note with interest the successful voluntary scheme piloted in West Lothian in which retailers did not sell alcohol to anyone under 21 on Friday and Saturday evenings.

The disadvantage of empowering local licensing boards to increase the legal alcohol purchase age in their area is that this could lead to variation in alcohol purchase ages in different parts of the country which may be seen as unjust. However, this measure could allow local Licensing Boards, after producing a detrimental impact statement, to require selected (problematical) premises to increase the minimum legal purchase age to 21. Simply the threat of such a sanction may encourage greater responsibility from retailers.

The Scottish Academy would support the above measure, believing that the strongest argument for raising the purchase age to 21 is to prevent 18-20 year olds passing alcohol onto younger people. Moving the off sales purchase age to be well clear of the school leaving age is of particular importance. We believe that the potential gains of this will only be realized of this age limit is applied nationally or if local boards agree to act together over a wide geographical area.

Question 7: The role of promotional offers and promotional material in encouraging people to purchase more alcohol than they intended.

The Scottish Academy welcomes the proposal in the Bill to end promotional offers in the off-sales sector which encourage irresponsible drinking. The Licensing (Scotland) Act 2005 already includes regulations to curtail irresponsible drinks promotions in the on-trade sector and we have long argued that it was anomalous and a weakness of the original legislation that such regulations were not applied equally to the off-trade sector. In recent years competition between retailers (principally the four largest supermarket chains) has driven down the price of alcohol in the off-trade sector to the extent that a unit of alcohol can be purchased for as little as 16p. The report from the Competition Commission in 2007 documented the extent to which alcohol is now being sold by retailers as a loss leader, via ‘deep discounting’, throughout Scotland and the rest of the UK. It would seem beyond question that such irresponsible promotion and affordability of alcohol, in some cases high-strength, has encouraged people to consume more alcohol than they may have intended.
Retailers will have detailed information on the impact of these practices on consumer behaviour and it is disappointing that this information has not been shared. We recommend that the Government establishes a mechanism to ensure that the intelligence held by the alcohol retail industry is made available for the public good.

Any other aspects of the Bill
We support the proposals on age verification. These reinforce current practice and together with test purchasing have contributed to reducing alcohol availability to children. This is vital in view of the considerable alcohol related harms and risks to young people, including neuro-psychiatric effects on the developing brain. The SALSUS studies show that commonest source of alcohol for 13 and 15 year olds is now family and friends. We believe that action to raise the price of the cheapest alcohol and to increase the age of off sales purchase are the next steps to further reduce children’s drinking.

Conclusion

The scale of alcohol-related harm in Scotland presents the Scottish Government, medical professionals and society in general with one of its greatest challenges. The statistics make harrowing reading and demand radical action. Successive governments have tried a variety of approaches to curb alcohol-related harm without success. Evidence has shown that health education has had little impact and bolder action is required. The Alcohol etc (Scotland) Bill contains a comprehensive package of measures which, collectively, present a new opportunity to tackle Scotland’s alcohol epidemic. The Bill recognises the large body of scientific evidence providing an irrefutable causal link between price, consumption and harm and contains evidence-based policy measures to address the problem. Much political debate has centred on minimum pricing, which should not be viewed as a solitary policy measure, but rather part of a wider package of measures. There is unprecedented international interest in Scotland’s proposed approach to alcohol, recognising that the adoption of minimum pricing in Scotland may provide an innovatory model for replication elsewhere. Scotland has a long and proud tradition of developing innovative public health policy and we would urge the Scottish Parliament to show strong political leadership to continue this tradition by supporting all aspects of the Alcohol etc (Scotland) Bill, including minimum pricing.

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Further copies of this response are available from the Academy Secretariat at scottish.academy@rcpe.ac.uk or by telephone: 0131 247 3648