Alcohol etc. (Scotland) Bill

Royal College of Psychiatrists Scotland

The Royal College of Psychiatrists Scotland is pleased to respond to the call for written evidence in relation to the Alcohol etc (Scotland) Bill. As requested, we have responded to the individual bullet points as follows:

The rationale behind the use of minimum pricing as an effective tool to address all types of problem drinking

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.

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.

The advantages and disadvantages of establishing a minimum alcohol sales price based on a unit of alcohol

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.
The level at which such a proposed minimum price should be set and the justification for that level

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.

Possible alternatives to the introduction of a minimum alcohol sales price as an effective means of addressing the public health issues surrounding levels of alcohol consumption in Scotland

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.

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

We support 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.

The justification for empowering licensing boards to raise the legal alcohol purchase age in their area to 21

We believe 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 if this age limit is applied nationally or if local boards agree to act together over a wide geographical area.

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

The limited evidence available indicates that price based promotions and multibuy offers increase alcohol consumption and we support the Bill’s proposals to end these. The 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.

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