

Reverse minimum price alcohol

Y Pwyllgor Deisebau | 7 Gorffennaf 2020
Petitions Committee | 7 July 2020

Reference: RS20/12961-2

Petition Number: P-05-966

Petition title: Reverse minimum price alcohol

Text of petition:

Stop Minimum price for alcohol. The people of Wales have NOT voted for this STUPID Law. There is NO evidence anywhere in world that this works. All it will do is penalise the less well off and pensioners, people on good money like Government members won't feel the effect of a law imposed on us. The trial in Scotland has hardly been a success with drink consumption if anything rising and more people turning to drugs and a big increase in shoplifting. Do we want this for Wales? When are people in Government going to learn, no form of prohibition works. Check history.



1. Background

The Welsh Government's Public Health (Minimum Price for Alcohol) (Wales) Act was passed by the Assembly in June 2018.

The legislation provides for a minimum price for the sale/supply of alcohol in Wales, and makes it an offence for alcohol to be sold below that price.

Section 1 of the Act sets out the formula to calculate the minimum selling price for alcohol. This is based on a minimum price per unit of alcohol. The minimum unit price (MUP) was not set in the Act. The Welsh Government consulted on a proposed minimum unit price of 50p between September and December 2018. Draft regulations setting the MUP at 50p were approved in Plenary on 12 November 2019. The Public Health (Minimum Price for Alcohol) (Minimum Unit Price) (Wales) Regulations 2019 were subsequently made on 20 November 2019, and came into force on 2 March 2020.

The legislation has not increased the price of every alcoholic drink, only those that were being sold below the minimum price. The main impact is likely to be on alcohol sold in supermarkets and off-licenses, particularly the relatively low cost but high strength products, and where it is sold in multipacks or as part of a sales promotion. Prices in the on-trade (e.g. pubs and clubs) will be largely unaffected as they typically sell at well above the MUP.

Aims of the legislation

Minimum pricing is a targeted measure, which aims to reduce hazardous and harmful levels of drinking. As described in the Explanatory Memorandum (EM) which accompanied the Bill, the legislation will form part of the Welsh Government's wider strategic approach to tackling alcohol-related harm. The EM states:

The ultimate objective of the Bill is to tackle alcohol-related harm, including alcohol-attributable hospital admissions and alcohol-related deaths in Wales, by reducing alcohol consumption in harmful and hazardous drinkers. In particular, the Bill is targeted at protecting the health of harmful and hazardous drinkers (including young people)

who tend to consume greater quantities of low-cost and high-alcohol content products.

Sheffield Alcohol Policy Model

Alcohol policy development in the UK has been informed by modelling work carried out by Sheffield University. In 2009, the Sheffield Alcohol Research Group (SARG) at Sheffield University developed the Sheffield Alcohol Policy Model to assess the potential impact of alcohol policies, including different levels of minimum unit pricing, for the population of England. The model has subsequently been adapted for other areas, including Scotland and Canada.

In 2014 the Welsh Government commissioned SARG to adapt the model for Wales. **Updated modelling** was published in February 2018. This found that:

- A minimum unit price set at between 35 and 70p would be effective in reducing alcohol consumption among hazardous and, particularly, harmful drinkers. These consumption reductions would lead to reductions in alcohol-related mortality and hospitalisations. Higher levels of MUP lead to greater reductions in consumption and harm.
- Moderate drinkers would experience only small impacts on their alcohol consumption and spending following the introduction of a minimum unit price. This is because they tend to buy alcohol which would be subject to little or no increase in price under the policy. Higher levels of MUP have larger impacts on the consumption of moderate drinkers.
- The greatest impact of a minimum unit price would be on the most deprived harmful drinkers. Deprived drinkers consuming at moderate levels would be more affected than other moderate drinkers, but the overall impact on their alcohol consumption and spending remains small.

Scrutiny of the legislation

The majority of stakeholders were supportive of the legislation as a public health measure. Most opposition to minimum pricing came

from within the alcohol industry (although this isn't the case across the board - major supermarkets for example have differed in their views).

Although the policy was widely supported, a number of concerns were raised during scrutiny of the Bill. These include:

- The lack of real-world experience of minimum pricing, and the extent to which a mathematical model can predict the impact of the policy on alcohol consumption and harm.
- Whether minimum pricing will unfairly penalise moderate drinkers.
- Whether there will be a disproportionate impact on low income groups.
- How the policy will affect vulnerable, dependent drinkers, including whether there's a risk of substituting non-beverage forms of alcohol or illegal drugs if the price of alcohol increases.
- The potential for an increase in cross-border trade, to the detriment of Welsh businesses.
- How the alcohol industry might respond to a potential windfall in profits as a result of minimum pricing.

These issues are discussed in some detail in the Health, Social Care and Sport Committee's **stage 1 report**. The Committee supported the general principles of the legislation, but cautioned that the Bill itself and wider policy require further consideration. The Committee made a number of recommendations aimed at strengthening the legislation and its implementation, and avoiding potential unintended consequences, particularly with regards to dependent drinkers. It also noted that further action is needed 'to ensure the impacts of minimum unit pricing, including any unintended consequences, are monitored and understood'.

The Committee's report emphasised that minimum pricing won't be effective in isolation, and that a range of measures are needed to tackle alcohol misuse.

Evaluation and sunset provision

The Act places a duty on the Welsh Ministers to report on the operation and effectiveness of the Act the end of a five year period.

The Act also includes a sunset clause. The minimum pricing regime established by the legislation will cease to have effect after six years, unless the Welsh Ministers make regulations providing otherwise.

Scotland

A 50p minimum unit price for alcohol was implemented in Scotland in May 2018. Public Health Scotland is leading the evaluation of MUP in Scotland through its Monitoring and Evaluating Scotland's Alcohol Strategy (MESAS) work programme. Some early findings have been published – an analysis of off-trade alcohol sales over the full year following the introduction of MUP (published in January 2020) shows the volume of pure alcohol sold per adult in Scotland fell by 3.6%.

Further results, published in June 2020, also suggest that the introduction of MUP in Scotland was associated with a reduction in the total volume of pure alcohol sold off-trade per adult, highlighting that in England and Wales (where the legislation did not apply), per-adult alcohol sales increased over the same time period.

Based on the controlled interrupted time series results presented in this report, the best estimate of the net reduction in per-adult off-trade sales in Scotland as a result of MUP is between 4 and 5%.

A final report is to be published in late 2023.

2. Welsh Government response

In his response to the Petitions Committee, the Minister for Health and Social Services says that the legislation is a 'crucial part of our work in tackling substance misuse across Wales'. His letter describes 'strong national and international evidence' that

the introduction of a minimum unit price will reduce levels of alcohol consumption and have a positive impact on public health.

The Minister highlights that the minimum pricing arrangements are subject to a programme of evaluation. He also states that the Welsh Government is monitoring the impact of Scotland's minimum pricing policy. He notes that it is 'too early to draw any conclusions at this point'.

Every effort is made to ensure that the information contained in this briefing is correct at the time of publication. Readers should be aware that these briefings are not necessarily updated or otherwise amended to reflect subsequent changes.