

MPA 14

Bil Iechyd y Cyhoedd (Isafbris am Alcohol) (Cymru)

Public Health (Minimum Price for Alcohol) (Wales) Bill

Ymateb gan Cancer Research UK

Response from Cancer Research UK

## Health, Social Care and Sport Committee – Public Health (Minimum Price for Alcohol) (Wales) Bill Written evidence from Cancer Research UK

### About Cancer Research UK<sup>1</sup>

1. Cancer Research UK is the world's leading cancer charity dedicated to saving lives through research. The charity's pioneering work has been at the heart of the progress that has already seen survival rates in the UK double in the last forty years. In 2015/16, we spent £432 million on research in institutes, hospitals and universities across the UK, funding over 4,000 researchers, clinicians and nurses. We receive no funding from the Government for our research. Our ambition is to see three in four patients survive cancer by 2034.
2. In 2015/16, we funded over £4 million of life saving research in Wales. We have 14 research nurses in Wales working alongside doctors across the country to care for patients taking part in clinical trials.
3. Over 19,000 people in Wales were diagnosed with cancer in 2015 – a 10% increase from 2005.<sup>2</sup> More people are expected to be diagnosed year-on-year, and it is estimated that the number of new diagnoses in Wales will soon reach 20,000.<sup>3</sup>

### Question 1: Do you agree with the general principle of the Bill? To what extent will it contribute to improving and protecting health and wellbeing in Wales?

1. We welcome the Public Health (Minimum Price for Alcohol) (Wales) Bill and support its general principles. We are pleased that the Welsh Government intends to introduce of minimum unit pricing (MUP) in Wales.
2. We support this Bill because alcohol consumption is the third biggest preventable risk factor for cancer.<sup>4</sup> MUP has the potential to prevent alcohol related cancers, in turn reducing mortality and reducing financial pressure on the NHS in Wales. This legislation will target the heaviest drinkers at the biggest risk of harm, rather than moderate consumers. Modelling indicates that under a 50p MUP, annual alcohol consumption among moderate drinkers will fall by around 2 units, while consumption among hazardous drinkers will fall by almost 40 units and consumption among harmful drinkers by almost 270 units.<sup>5</sup>
3. MUP will be a crucial component of a comprehensive strategy to reducing levels of alcohol consumption and harm. After this legislation is passed, we would like the Welsh Government

to set the MUP limit at no less than 50p per unit of alcohol. This limit should be reviewed on a frequent basis with a view to increase it to match factors including inflation, if necessary. We believe that 50p is currently the most appropriate pricing limit for Wales. A 50p limit was recommended by the UK Chief Medical Officer in 2008,<sup>6</sup> is likely to be implemented in Scotland in 2018,<sup>7</sup> and has been assessed as likely to be effective by academics.<sup>8</sup> Lower limits will not deliver the required health benefits, while the potential impacts of higher limits have not yet been fully assessed.

4. Alcohol is a major risk factor for cancer and been classified as a Group 1 carcinogen by the International Agency for Research into Cancer (IARC; part of the World Health Organisation) since 1988.<sup>9</sup> <sup>10</sup> Alcohol consumption has been linked to around 12,800 cancer cases in the UK, and is linked with an increased risk of seven types of cancer (mouth and upper throat, larynx, oesophageal, breast in women, liver and bowel).<sup>11</sup>
5. Alcohol is also implicated in a wide range of social problems, particularly crime and workplace absences. In combination, these health and social problems impose a substantial burden on public services and the wider economy. The UK Government estimates that the total cost of alcohol-related harm in England and Wales is £21 billion per year.<sup>12</sup>
6. MUP is a very effective tool in reducing alcohol harm. A major review of the evidence into MUP, which synthesised over 100 systematic reviews and meta-analyses, showed that increasing the price of alcohol is associated with falls in both alcohol consumption and alcohol-related harm.<sup>13</sup> This review noted that ‘minimum pricing strategies may constitute an effective part of a broad public health strategy to deal with alcohol-related problems’.<sup>14</sup>
7. Research by the University of Sheffield identified that introducing an MUP of 50p in Wales could lead to almost 1,300 fewer hospital admissions and over 65 fewer deaths per year, with the strongest impact felt among people living in poverty.<sup>15</sup> Earlier economic modelling suggested a potential £131 million of savings in healthcare costs in Wales over 20 years.<sup>16</sup>
8. MUP may also help reduce health inequalities. Price dominates public product choice and consumption, with strong white cider – a product likely to be affected by MUP – forming 25% of the alcohol intake for harmful and hazardous drinkers in all except the most affluent social economic groups.<sup>17</sup> Consumption of white cider creates significant health inequalities in lower socio-economic groups.<sup>18</sup>
9. As well as modelling research, the case for a minimum unit price is justified by several real-world case studies. One study based in Saskatchewan, Canada showed that increasing the MUP by 10% led to an 8.43% decline in the consumption of alcohol.<sup>19</sup> A study based in British Columbia, Canada showed that MUP was linked with reduced acute alcohol related admissions to hospitals after a year, and with reduced alcohol related hospital admissions for chronic problems such as liver disease and cancer after a period of 2-3 years.<sup>20</sup> Raising the price of the cheapest alcoholic drinks in rural Australian communities led to a 19% decline in consumption and subsequent reductions in crime levels and hospital admissions.<sup>21</sup>

**Question 2: What are the barriers towards the implementation of the provisions and does the Bill take account of them?**

10. To support the implementation of this Bill, the Welsh Government should provide local authorities with dedicated funding to enforce the legislation. Additional funding will address uncertainties identified in the impact assessment over additional costs arising from “the need for longer or more frequent checks”.<sup>22</sup>
11. Additional funding for enforcement is important as Welsh local authorities have limited budgetary and operational capacity. The Welsh Government has already outlined provisional local authority budgets reductions of 0.5% in 2018/19 and a further 1.5% in 2019/20.<sup>23</sup> These reductions may have knock-on effects on both public health and licensing enforcement.

**Question 3: Will there be any unintended consequences arising from the Bill?**

12. We do not anticipate any unintended consequences arising from the Bill. To prevent any issues arising from inconsistency between MUP levels between each UK nation, and ensure the smoothest possible implementation, the Welsh Government should actively encourage cross-nation collaboration in setting a uniform limit. One avenue for discussion could be through regular chief medical officer meetings.

**Question 4: What are the financial implications of the Bill?**

13. The Bill’s impact assessment gives a fair assessment of its likely financial implications. We agree with its primary message: that the Bill’s net health, social and retail benefits will significantly outweigh its introduction, enforcement and evaluation costs.
14. We agree with the impact assessment that MUP will not penalise moderate drinkers. Evidence shows a 50p MUP could lead to moderate drinkers spending £3 per year more a year; hazardous and harmful drinkers face increases of £18 and £48 per annum.<sup>24</sup> This is because MUP increases the cost of cheap, high-strength alcoholic beverages generally consumed by harmful and hazardous drinkers, while maintaining the price of alcohol already sold at the equivalent or above a minimum price.<sup>25</sup>
15. MUP will not affect drinks already sold above the set MUP level. As the University of Sheffield note, assuming a pint of beer contains two units, it would need to cost at least £1, and a bottle of wine containing nine units would need to cost at least £4.50. This means the measure will have most impact upon drinkers who consume large quantities of very cheap, super-strength alcohol, and who are at-risk from a range of health harms.
16. We also agree with the impact assessment’s assertion that retailers will benefit from MUP, rather than see revenues contract. A modelling study in Scotland predicted the increase would be around £200 million in the off-trade.<sup>26</sup>

17. As highlighted in the impact assessment, introducing MUP will also deliver significant savings elsewhere. This includes reduced healthcare costs and better population health.

#### **Question 5: Is it appropriate for the Bill to allow Welsh Ministers to make subordinate legislation?**

18. Yes, we believe that it is appropriate for the Bill to allow Welsh Ministers to make subordinate legislation – particularly to set the pricing level later. This will allow the Welsh Government to regularly review the price to ensure its continued effectiveness. The process for reviewing the initial limit should be transparent and evidence-based. As part of this process, the Welsh Government should also liaise with other UK nations with MUP to set a uniform pricing level at 50p per unit, to ensure consistency and ease of implementation. It is imperative that price reviews place the interests of public health as the priority mechanism for its revision.
19. The affordability of alcohol shapes consumer behaviour; alcohol prices have increased at a slower rate than incomes, leading to growing affordability and increased consumption.<sup>27</sup> So long as taxes on alcohol are fixed costs on top of the retail price, they will be undermined by inflation unless regularly reviewed and increased at rates at, or above, inflation.<sup>28</sup> It is also important to consider that even if taxes do keep up with inflation levels, alcohol affordability will increase if personal incomes rise.<sup>29</sup> Taxes also do not set a floor price on alcohol multi-buy promotions; an adaptively priced MUP can guard against the cheapest deals.
20. We believe that the Welsh Government should consider a 50p limit when setting the price limit, given strength of evidence of its effectiveness compared to other higher and lower limits, uniformity with Scotland's likely 50p limit, and previous policy recommendations from the UK CMO and other advocacy groups such as the Alcohol Health Alliance.<sup>30</sup> Modelling in England suggested that a limit of 50p would see a 6.8% reduction in alcohol related deaths and a 3.8% fall in hospital admissions each year (after 20 years), compared to 4.3% and 2.4% for a 45p limit.<sup>31</sup>

#### **References**

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