Minimum alcohol price policies in action: The Canadian Experience

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Presentation to Alcohol Concern Conference, London, 19 November, 2013
Grateful thanks to

Colleagues at the:

Centre for Addictions Research of BC, Victoria, Canada

Canadian Centre on Substance Abuse, Ottawa, Canada

Centre for Addiction and Mental Health, Ontario, Canada

Prevention Research Center, Berkeley, USA

BC Centre for Disease Control, Vancouver, Canada

Sheffield School of Applied Research, Sheffield University, UK

& the Funding Body: Canadian Institutes for Health Research
All of Canada's 10 provinces set minimum prices for alcohol in liquor stores and/or bars.
Despite popular beliefs to the contrary...

Increased alcohol prices lead to reduced rates of illnesses and injuries associated with heavy drinking patterns.
Effects of two tax increases on deaths from alcohol related diseases in Alaska

Hazardous drinkers seek out less expensive alcohol

3 retail prices in $/standard drink (13.45g)

Cheapest: 58 cents
Median: $3.25
Most expensive: $994
Do increases in minimum alcohol prices lead to reduced consumption?
Case Study: Saskatchewan

- Evaluation of a public health inspired proposal to increase all minimum prices SIMULTANEOUSLY with higher prices for higher strength beverages [ie similar to MUP]

- Four strength categories for beer (<6.5% to >8.5%) with minimum prices set between the equivalent of $1.58 and $2.48 per standard drink

- Two strength categories for wine, 2 for coolers and 3 for spirits
Impacts on Consumption II

Consumption of alcoholic beverages in Saskatchewan before and after a major Minimum Price policy change

Fiscal period, April 2008 to March 2012

Age 15+ per capita alcohol consumption

- Total Ethanol
- Beer
- Spirits
- Wine
- Coolers
- Cocktails
- Cocktails
- Liqueur
Saskatchewan, 2008-2012

- A 10% increase in minimum prices significantly reduced consumption of beer by 10.1%, spirits by 5.9%, wine by 4.6%, and all beverages combined by 8.4%

- Significantly greater reductions for government liquor stores where minimum prices most affected retail prices and for beverages with most products affected

- There was a significant shift away from high to low strength beers and wines

- Police reported fewer incidents of public violence at weekends

- Increase in government revenue from liquor and increased profits to wholesale suppliers – approx. $40m per annum
Informal reports of benefits

“Higher prices for cheap booze cuts binge drinking, Sask. Finds” - Saskatoon Star Phoenix July 5, 2010

“Saskatchewan one of first jurisdictions in the world to implement across the board minimum pricing…linked to a formula accounting for the amount of pure alcohol in each product”

"The concept is to discourage excess consumption through binge drinking,” - Saskatchewan Liquor and Gaming Authority

Police calls per month related to intoxication or disturbances halved - local police inspector
Do increases in the minimum alcohol prices lead to reduced alcohol-related harm?
Sheffield Model is supported but gives conservative estimates of health outcomes for British Columbia

Comparative estimates of health and crime outcomes from an increase in the average Minimum Price in BC from CA$1.15 to CA$1.50/Standard Drink [Equivalent to £0.43p to £0.55p per UK Unit]

<table>
<thead>
<tr>
<th>Category of Alcohol Attributable Harm</th>
<th>Immediate</th>
<th>Delayed</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sheffield Model</td>
<td>CARBC Studies</td>
</tr>
<tr>
<td>Deaths (N)</td>
<td>39 ↓</td>
<td>100 ↓</td>
</tr>
<tr>
<td>Hospital Admissions (N)</td>
<td>244 ↓</td>
<td>1432 ↓</td>
</tr>
<tr>
<td>Crimes (N)</td>
<td>1346 ↓</td>
<td>7600 ↓</td>
</tr>
</tbody>
</table>
Some Conclusions

- Most hypotheses regarding associations with alcohol consumption and related harm were confirmed.

- The underlying theory is likely correct and minimum pricing per standard drink is well targeted to heavy drinkers – and is a more feasible pricing policy.

- The Sheffield Model underestimates the health benefits of Minimum Unit Pricing for the UK.

- Replication studies in other jurisdictions are required.

Thank you!