CAPE 3.0: Federal Results

The Canadian Alcohol Policy Evaluation (CAPE) provides rigorous assessments of how well each level of government in Canada is implementing policies proven to reduce harm from alcohol use. This is the second federal assessment and the third edition of the CAPE project; a project which has a track record of strengthening Canada’s response to alcohol harm. Policy data for CAPE 3.0 were collected between June 1 and December 1, 2022.

WHY IT MATTERS: ANNUAL ALCOHOL CONSUMPTION, HARMs AND COSTS IN CANADA

Alcohol Consumption

CAN 487 standard drinks per person aged 15+

(2020/21)

Alcohol Health Harms

ER & hospital visits

82023

(2020)

Deaths

17028

(2020)

Alcohol Deficit

+ $13.475B alcohol revenues

- $2.672B alcohol harm costs

= -$6.196B total alcohol deficit

(2020/21)

WHAT CAN BE DONE: AN ALCOHOL POLICY APPROACH

Evidence-based alcohol policies are the most effective way to reduce harm from alcohol. The scores in this summary represent the degree to which best practice policies have been implemented.

Cape 3.0 Results: Federal Policy Scores

1. Pricing & Taxation 39% (F)
2. Marketing & Advertising Controls 10% (F)
3. Impaired Driving Countermeasures 40% (F)
4. Health & Safety Messaging 10% (F)
5. Physical Availability 12% (F)
6. Control System 0% (F)
7. Minimum Legal Age 40% (F)
8. Alcohol Strategy 67% (C+)
9. Screening & Treatment 88% (A+)
10. Monitoring & Reporting

Federal CAPE Scores Over Time

CAPE 3.0
37% (F)

CAPE 2.0
38% (F)

To see how Canada’s provinces and territories scored, see the P/T RESULTS SUMMARIES.
The 10 policy domains in this assessment form part of a comprehensive and synergistic approach to preventing and reducing different types of alcohol harms. Policies examined fall under federal control, and each domain reflects the current evidence and is weighted based on its effectiveness and scope of reach. This results in a ranked order from one (i.e., highest overall impact) through 10 (see next page). However, all the domains are necessary to create a health-focused alcohol policy environment.

**WHAT THE FEDERAL GOVERNMENT IS DOING WELL: SELECTED EXAMPLES**

- Legislation requires all federal commercial imports into Canada to be imported exclusively via government authority. The maximum volumes for duty-exempt personal alcohol imports meet the recommended limits.

- Federal funding supported development of national alcohol and health guidance. Federal funding is available to support alcohol screening, brief intervention, and referral (SBIR) initiatives at the provincial/territorial (P/T) level. SBIR resources and treatment services are available to federal corrections and military populations.

- Comprehensive monitoring and reporting of alcohol-related indicators is conducted and publicly funded; all data are publicly reported with most released annually. There is leadership, Canadian Centre on Substance Use and Addiction, and knowledge translation activities occurring.

**WHERE THE FEDERAL GOVERNMENT NEEDS WORK: SELECTED EXAMPLES**

- There are no federal incentives to encourage minimum pricing implementation at the P/T level. Federal sales and excise taxes applied to alcohol fall below the recommended levels. Excise taxes are not currently set based on a unified graduated ethanol-based rate.

- The current CRTC code does not include restrictions on volume, content, and placement of ads, or on price-based promotions for any advertisers nor does it restrict content beyond broadcast media. There is no mandatory pre-screening of alcohol ads by an enforcement authority independent of industry and no online complaints system; CRTC penalties can only be imposed on broadcasters. Alcohol industry marketing activities are not monitored or publicly reported.

<table>
<thead>
<tr>
<th>Status of Federal Alcohol Excise Taxation in 2022</th>
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<tbody>
<tr>
<td><strong>Best practice policies</strong></td>
</tr>
<tr>
<td><strong>Yes</strong></td>
</tr>
<tr>
<td>Excise taxes set at a unified rate across beverage types</td>
</tr>
<tr>
<td>Excise taxes tied directly to alcohol content (e.g., $/L of absolute alcohol)</td>
</tr>
<tr>
<td>Excise rates graduated based on alcohol content (e.g., higher rates for higher strength beverages)</td>
</tr>
<tr>
<td>Excise taxes indexed to annual inflation</td>
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</tbody>
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*See 13 in the Federal Scoring Rubric for details on federal excise taxes.

The Criminal Code threshold for driving under the influence is set higher than a BAC of 0.05%. Federally regulated professional drivers such as commercial pilots and truck drivers are not all subject to a maximum BAC of 0.02% or lower.
The policy domains below are listed in order of impact based on their effectiveness and scope (see page 2 for details). This table is also available in plain-text format.

<table>
<thead>
<tr>
<th>Policy Domain</th>
<th>Score</th>
<th>Recommendations</th>
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| Pricing & Taxation            | 39% F | • Of financial incentives to encourage implementation of minimum prices at the P/T level.  
• Implement an indexed minimum unit price for all alcohol sold on federally controlled lands and waters (e.g. parks, military installations).  
• Increase the level of federal sales taxes applied to alcohol to 12% (e.g. GST or other ad valorem federal alcohol sales tax).  
• Implement restrictions on advertising quantity (e.g. ad bans and volume restrictions), content (e.g. beyond CRTC rules), placement (e.g. physical location near youth etc.), and price-based promotions/sponsorships for all advertisers (e.g. government or private retailers, non-licensees or third parties such as food delivery services) and all media types (e.g. broadcast, internet, social media).  
• Implement restrictions on advertising quantity (e.g. ad bans and volume restrictions), content (e.g. beyond CRTC rules), placement (e.g. physical location near youth etc.), and price-based promotions/sponsorships for all advertisers (e.g. government or private retailers, non-licensees or third parties such as food delivery services) and all media types (e.g. broadcast, internet, social media). |
| Marketing & Advertising Controls | 10% F | • Make it a Criminal Code of offence to drive with a BAC of 0.05%.  
• Make it a Criminal Code of offence for federally regulated professionals to operate commercial or passenger vehicles, trains, plane, and boats with a BAC > 0.02%.  
• Provide police with Criminal Code powers to demand an evidentiary blood sample in any situation where they are authorized to demand an evidentiary breath sample. |
| Impaired Driving Countermeasures | 40% F | • Enact legislation requiring for enhanced alcohol labelling components.  
• Implement mandatory alcohol labelling as a manufacturer requirement, developed independently of the alcohol industry. Labels should include a variety of evidence-based warning messages (e.g. cancer risk, standard drinks, national alcohol guidance, calories), be prominently displayed using contrasting colours, be fully legible and accompanied by pictorials, rotate equally across all products at least annually, and support consumers in making informed decisions about product use; alcohol warning messages must be displayed front-of-package.  
• Implement ongoing alcohol-specific public health media campaigns run by Health Canada and developed free of industry involvement that include comprehensive health and safety topics. |
| Health & Safety Messaging | 10% F | • Implement a Federal Alcohol Act with an explicit mandate/intent to protect public health that includes evidence-based policy areas (e.g. pricing and taxation, marketing and advertising controls, impaired driving countermeasures, health and safety messaging etc.).  
• Provide federal incentives (e.g. tax breaks) to encourage P/T governments to retain ownership and operation of the retail sale and distribution of alcohol.  
• Strengthen existing trade law exemptions in the interests of protecting public health and safety to include specific mention of alcohol.  
• Increase the proportion of government licensed, owned, and operated Duty-Free outlets (versus privately owned and operated outlets); move towards full government control.  
• Require public health guidance from health ministries or other public health stakeholders for alcohol-related decision-making and legislative changes; implement a formal public consultation process to engage with underrepresented groups (e.g. non-industry stakeholders, priority populations) about alcohol. |
| Physical Availability | 100% A+ | • Federal controls on commercial and personal alcohol imports meet recommendations. |
| Control System | 12% F | • Implement a Federal Alcohol Act with an explicit mandate/intent to protect public health that includes evidence-based policy areas (e.g. pricing and taxation, marketing and advertising controls, impaired driving countermeasures, health and safety messaging etc.).  
• Provide federal incentives (e.g. tax breaks) to encourage P/T governments to retain ownership and operation of the retail sale and distribution of alcohol.  
• Strengthen existing trade law exemptions in the interests of protecting public health and safety to include specific mention of alcohol.  
• Increase the proportion of government licensed, owned, and operated Duty-Free outlets (versus privately owned and operated outlets); move towards full government control.  
• Require public health guidance from health ministries or other public health stakeholders for alcohol-related decision-making and legislative changes; implement a formal public consultation process to engage with underrepresented groups (e.g. non-industry stakeholders, priority populations) about alcohol. |
| Minimum Legal Age | 0% F | • Set a federal minimum age of 21 for individuals to whom alcohol can be lawfully sold under the Criminal Code; extend the federal minimum age to apply to alcohol sold on federal controlled land/waters. |
| Alcohol Strategy | 40% F | • Develop an updated public facing standalone alcohol strategy, without alcohol industry involvement, that addresses alcohol as a public health issue Allocate dedicated funds for strategy development, implementation and assessment and appoint an identifiable leader (individual position or working group free of alcohol industry involvement) to implement the strategy; set an implementation timeline (e.g. 5 years) and require on-going publicly reported implementation assessments. Provide formal federal endorsement of the alcohol strategy. |
| Screening & Treatment Interventions | 67% C+ | • Provide formal federal endorsement of national alcohol and health guidance that has been developed free from alcohol industry involvement.  
• Implement earmarked funds for supporting alcohol-specific treatment beyond SBIR at P/T level (e.g. health transfer funds).  
• Extend tracking and reporting of screening, brief intervention, referral, and treatment for populations under federal administration to include Corrections.  
($T$ Treatment indicators measure existence of services only, not quantity or quality.) |
| Monitoring & Reporting | 88% A- | • Increase frequency of regular reporting on alcohol-related morbidity, cost, and policy change indicators to annually.  
• Implement an online public centralized reporting system for all alcohol-related indicators. |

FEDERAL CAPE 3.0 Score: 37% F

For more details on policy indicators, see the POLICY SCORING RUBRIC.
Notes: 1. Statistics Canada. Table 10-10-0010-01 Sales of alcoholic beverages types by liquor authorities and other retail outlets, by value, volume, and absolute volume.
2. Canadian Substance Use Costs and Harms.
3. Statistics Canada. Table 10-10-0012-01 Net income of liquor authorities and government revenue from sale of alcoholic beverages (x 1000).
4. Grade ranges: A+ = 90-100%; A = 85-89%; A- = 80-84%; B+ = 77-79%; B = 73-76%; B- = 70-72%; C+ = 67-69%; C = 63-66%; C- = 60-62%; D+ = 57-59%; D = 53-56%; D- = 50-52%; F = 0-49%.


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