

Minimum Unit Pricing Saves Lives

Distilling the Facts on MUP

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Foreword

The Public Health (Alcohol) Bill 2015 is important legislation that can help to change our harmful relationship with alcohol. It contains a number of initiatives that will impact on the price and availability of alcohol and, will introduce labelling to better inform consumers about what they are drinking and its likely impact on their health. The Bill will also affect the marketing of alcohol products, particularly to children.

The Bill will introduce the setting of a Minimum Unit Price (MUP) for alcohol which international evidence shows us can quickly reduce harmful drinking and its effects, in terms of lives saved, and fewer hospital admissions quickly materialise.

Much like the introduction of the ban on smoking in the workplace first introduced in Ireland in 2004, MUP is a controversial initiative that has been challenged in the courts in Scotland and in Europe by the drinks industry. As the introduction of MUP is debated, many myths and challenges to the concept will be aired in public. This document aims to debunk the myths and present the facts about MUP.

Basically, if you only drink alcohol in pubs, clubs and restaurants, the introduction of MUP of €1 won't have any impact. The price of alcohol will not change as it is already being sold at well above MUP. If you drink alcohol purchased in supermarkets or off-licences, and consume it within safe limits, (17 units for men and 11 for women) an MUP of €1 will mean that you could end up paying 30 cents more for that alcohol in a week – €1.20 a month or €15.70 over a full year

If you consume large volumes of cheap, high strength alcohol purchased in supermarkets and other retailers then you will notice an effect of MUP on the cost of your alcohol. It will increase the price of these drinks, as this unsafe level of drinking causes most deaths, injuries, accidents and incidents in Irish society. Indeed this is the purpose of MUP.

Research has shown that 22% of the Irish population account for 66% of all alcohol consumption and 61% of money spent on alcohol.

It is more expensive for young people to buy cinema tickets or bottled water than alcohol and tragically, large numbers of young people binge drink, usually beginning underage. Indeed, Ireland ranks in second place out of 194 countries for alcohol binge drinking for those aged 15 and overⁱ.

Minimum Unit Pricing Saves Lives

Introducing an MUP will create a more level playing field for pubs, small retailers and off-licences and the big multiples, as it will impact on the very cheap, high strength alcohol that is mainly sold in supermarkets.

These are the products that are consumed in large volumes particularly by young people and harmful drinkers (those who regularly consume large quantities of alcohol in excess of the low-risk guidelines) and that cause most harm. Heavy discounting means that in Ireland a woman can reach her low risk weekly drinking limit for €6.30, while a man can reach this limit for less than €10.

Research has shown that patients with advanced liver disease due to alcohol consumption drink vast quantities (more than 140 units per week) of cheap alcohol (less than 50c per unit).

The Royal College of Physicians of Ireland is a leading advocate and supporter of MUP and the Public Health (Alcohol) Bill 2015. We believe the high quality international evidence regarding alcohol intake, hospital admissions and alcohol related deaths, as well as alcohol related crime, and have been informed by the extensive modelling carried out by the University of Sheffield to predict the impact of MUP in Ireland.

Alcohol is unlike other products sold in retail outlets – its consumption impact on health and should be consumed in a safe way. As doctors, we want to reduce the harm that Ireland's consumption of alcohol causes. Every day 3 people die as a result of alcohol in Ireland. It is a major factor in suicides, drownings and road traffic accidents. Alcohol causes and increases the risk of developing many cancers, including breast cancer and bowel/colon cancer.

Children are neglected and hurt as a result of alcohol use and virtually every family in Ireland is affected by unsafe alcohol use. At least 1,500 hospital beds every night are occupied as a result of alcohol use, which puts an unsustainable burden on our already stretched health services. One in 10 admissions to psychiatric hospitals is related to alcohol.

We now have an opportunity to take an important step forward in tackling how we consume alcohol in Ireland. The Public Health (Alcohol) Bill 2015 and the initiatives it will introduce, including MUP, deserve to be supported.

Prof Frank Murray MD

President

What's the problem?

- Every day **3 people die** in Ireland as a result of alcohol use.
- That's **88 deaths** every month.
- **1 in 4 deaths under 50** years of age is due to alcohol
- Ireland ranks second place out of **194** countries for alcohol binge drinking for those aged 15 and over
- **22%** of the Irish population account for **66%** of all alcohol consumption and **61%** of money spent on alcohol
- **75%** of alcohol in Ireland is consumed as part of a **binge drinking** session
- Every night more than **1,500 hospital beds** are occupied by people who have illnesses or have been involved in accidents or incidents, as a result of alcohol.
- **4 in 10 children** in Ireland are adversely affected by alcohol use
- **4 in 10 child protection cases** are associated with alcohol use
- **10%** of admissions to psychiatric hospitals are due to alcohol
- Drunkenness puts a significant and unnecessary strain on the emergency services and Gardai
- Alcohol harm costs **€3.7 billion** a year in health, crime and public order
- Virtually **every family in Ireland** is impacted by our harmful relationship with alcohol.
- Alcohol is a significant contributor to the **neglect and abuse of children**, to **domestic, sexual assault, violence** and **family breakdown**,
- The way we drink doesn't just harm those who drink in a harmful or reckless way; alcohol use affects innocent bystanders and pedestrians,
- Alcohol is a major factor in suicides with as many as **65% of suicides related to excessive drinking**
- The **risk of suicide is 8 times greater** amongst those who abuse alcohol
- **30% of drownings** are associated with alcohol use
- Alcohol is a **class 1 carcinogen** which means the more you drink the higher your risk of developing **7 types of cancers**, including **bowel, breast cancer in women, liver, mouth, head and neck and the oesophagus**.
- Those who drink **alcopops** exclusively are **6 times more likely to suffer injury**
- **More people die in Ireland from excess alcohol than drug overdoses**

Why is minimum unit pricing a good idea?

Alcohol consumption in Ireland remains at very high levels and is a factor in a range of health, family and social harms. We now consume twice as much as we did 50 years ago and harmful drinking is very common in Ireland, in particular for men and women under 35 years. It has become “normal behaviour” to consume large quantities of alcohol in a single session and, as a consequence, many people do not realise that they are in fact, harmful drinkers. Harmful drinking is the term used to describe the regular consumption of large volumes of alcohol, substantially above the recommended weekly safe levels of 17 units of alcohol for a man and 11 units for a woman.

Recent data shows that alcohol consumption rates have reduced since reaching a peak in 2001, but at an estimated 11.68 litres of alcohol consumed per adult in 2012, we are still consuming well in excess of recommended low risk limits and the Healthy Ireland maximum target of 9.2 litres.

Viewing alcohol consumption in terms of population figures does not show the full picture. In fact, it is the volume of alcohol that is being consumed by the heaviest drinkers in our society that is of grave concern. It has directly contributed to the doubling of the number of men and women dying from cirrhosis of the liver in Ireland in the last 20 years. Cirrhosis was typically a disease associated with older men. In recent years however, more and more women are developing, and dying from cirrhosis.

Alcohol has become much more affordable in recent years. Between 2002 and 2007 there was a 44% increase in the amount of lager that could be purchased with one week’s disposable income. **A woman can reach her low risk weekly drinking limit for just €6.30, while a man can reach this weekly limit for less than €10.**

Minimum unit pricing targets problems caused by cheap alcohol and has little or no impact on the vast majority of drinkers. It will particularly impact on those drinkers who consume the highest volumes of high strength, cheap alcohol, which causes most harm to their health. There is evidence to show that harmful drinkers and younger drinkers are more likely to drink cheap alcohol, and that risky alcohol consumption among young people is strongly related to disposable income.

In Saskatchewan province in Canada, where minimum pricing has been introduced, there was a corresponding reduction in alcohol consumption: a 10% increase in price was

associated with an 8.4% decrease in total alcohol consumption. In British Columbia, a 32% reduction in alcohol related deaths was seen only one year after minimum unit pricing increases came into effect.

Minimum unit pricing for alcohol is supported by a wide range of bodies in Ireland and by members of the public. In a 2012 HRB survey, almost 58% of respondents were in favour of establishment of a floor price below which alcohol could not be sold.

Organisations that support the introduction of MUP include Alcohol Health Alliance Ireland – the lobby group established by the Royal College of Physicians of Ireland and Alcohol Action Ireland to support the Public Health (Alcohol) Bill 2015. Its members include the Health Service Executive, Irish Cancer Society, the Heart Foundation, the College of Psychiatrists, the National Youth Council of Ireland, Alcohol Forum, drugs.ie, the Irish Medical Organisation, Dental Health Foundation, No Name Club, Union of Students in Ireland, Aware, Mental Health Reform, Children’s Rights Alliance, Oireachtas members, addiction councillors and others who work directly with those affected by alcohol consumption.

Evidence shows that the MUP needs to be set at a level that reduces the burden of harm from alcohol use. A minimum price will need to be reviewed on a regular basis and adjusted when necessary to maintain its value in line with inflation.

The University of Sheffield has carried out modelling to predict the benefits of introducing MUP in Ireland. In its submissionⁱⁱ on the Public Health (Alcohol) Bill 2015, the Royal College of Physicians of Ireland called for the MUP to be set at €1.

In its reportⁱⁱⁱ the University of Sheffield estimated that with a €1 MUP per standard drink (assuming that it’s updated annually in line with inflation) the impact in Ireland would be:

It is more expensive for young people to buy cinema tickets or bottled water than alcohol and tragically, large numbers of young people binge drink, usually beginning underage.

Benefits of €1 MUP for Alcohol in Ireland

- It will **save 197** deaths attributable to alcohol per year, when the full effects of the policy to be seen over 20 years.
- It will have a similar affect on alcohol-related hospital admissions – with **5,878 fewer admissions** per year across the population
- It can save the health services **€7.4 million** in the first year and **€254.7 million** cumulatively over the first 20 years of the policy
- It will reduce the amount of **crime by 1,493** offences per year overall.
- It will cut the costs of crime and policing by **€7 million** in year one and by **€102.7 million** cumulatively over 20 years
- The number of workplace absences will fall by **115,600** per year. This is estimated to lead to an annual saving of **€16.1 million** in year one and **€236.6 million** over 20 years
- The total societal value of these reductions in health, crime and work place harms is estimated at **€1.7 billion** over the 20 year period modelled.
- This includes direct healthcare costs (**€255 million**), crime costs (**€103 million**), workplace costs (**€237 million**) and a financial valuation of the quality adjusted life year (QALY) gain (**€1.1 billion**)
- Revenue to retailers is estimated to increase by **€68.5million** (18.1%) in the off-trade and **€9.3million** (0.7%) in the on-trade. This is as reduced sales volumes are more than offset by the increased value of remaining sales

How does minimum pricing work?

Minimum pricing means establishing a floor price below which alcohol cannot be sold. The minimum unit price is based on the alcohol content of the drink, measured either in grams or units of alcohol. Below are some practical examples of how a minimum unit price of €1 will impact on the final price of an alcoholic product.

Example 1: Bottle of wine- 750ml

In this case, a 750ml bottle of wine with an alcohol content of 11.5% contains 86.25 grams of alcohol^{iv} that is equal to 8.625 standard drinks. A minimum unit price of €1 per standard drink would mean this bottle would cost €8.63.

Example 2: Glass of wine – 100ml

A 100ml glass of wine of 11.5% strength would cost €1.10

Example 2: Pint of Beer

A pint of beer with a 4.3% alcohol content has 24.42 grams of alcohol which is equal to 2.44 standard drinks. At a minimum unit price of €1 this would cost €2.44, which is well below pub prices.

Example 3: Vodka-700ml bottle

A 700 ml bottle of vodka with an alcohol content of 40% contains 280 grams of alcohol which is equal to 28 standard drinks. At a minimum unit price of €1 this bottle will cost €28.

Example 4: Beer-330ml can (part of multipack offer)

A 330ml can of beer with an alcohol content of 4.3% contains 12.9 grams of alcohol which is equal to 1.29 standard drinks. At a minimum unit price of €1 this can will cost €1.29.

Example 5: Cider- 1 litre bottle

A 1 litre bottle of cider with an alcohol content of 4.3% contains 43 grams of alcohol which is equal to 4.3 standard drinks. At a minimum unit price of €1 this bottle would cost €4.30.

Example 6: Cider – 2 litre bottle

A 2 litre bottle of cider with an alcohol content of 7% will cost €14.

Summary table of minimum unit pricing

Type of alcohol	Cost at minimum unit price of €1
Wine- 750 ml bottle of 11.5% strength	€8.63
Wine – 100 ml glass of 11.5% strength	€1.15
Pint of Beer, 4.3% strength (568ml)	€2.44
Vodka- 700ml bottle of 40% strength	€28
Can of Beer 300 ml of 4.3% strength	€1.29
Multipack of lager- 24 300ml cans of 4.3% strength	€30.96
Cider- 1 litre bottle of 4.3% strength	€4.30
Cider – 2 litre bottle of 7% strength	€14

It should be clear from the above examples that the introduction of a minimum unit price would mean a change in price for only the cheapest alcoholic drinks. The price of a drink - if based on a minimum unit price of €1 – would be substantially cheaper than prices currently charged in pubs, clubs and restaurants.

For those who consume alcohol purchased in supermarkets and drink it within safe limits, (17 units for men and 11 for women) an MUP of €1 will mean they will end up paying 30 cents more for that alcohol in a week – €1.20 a month or €15.70 over a full year.

Why minimum pricing instead of excise increases?

There is evidence to show that increasing taxes on alcoholic drinks results in reduction in alcohol consumption. In Ireland, high excise duties have in the past been levied on alcohol with this aim in mind. Even with taxation increases, retailers in the off-trade can, and do, still sell products as loss-leaders at extremely cheap prices. Although excise duties in Ireland are relatively high, Alcohol Action Ireland estimates that a woman can reach her low-risk weekly drinking limit for just €6.30, while a man can reach this weekly limit for less than €10.

Excise duties increase the cost of all alcohol, and when raised, increase the price of alcohol in pubs, clubs and restaurants. Unlike excise duties, minimum unit pricing will only affect outlets where the cheapest alcohol is sold, for example in supermarkets, but would have no impact on pubs. It also targets vulnerable and harmful drinkers, rather than moderate drinkers.

How will minimum pricing affect taxation revenues?

A thorough economic analysis is necessary to precisely predict the impact that minimum pricing would have on taxation collected in the State. Minimum pricing in itself does not generate any additional government income. However, any discussion on revenue needs to also take into account the high cost of alcohol harm. The total cost of alcohol harm in 2007 was estimated at €3.7bn. This includes health system costs, crime costs related to alcohol, costs of road traffic accidents and loss of economic output due to absenteeism. Minimum pricing and other alcohol harm reduction measures would bring savings to reduce this figure considerably.

In the case where an individual purchases less alcohol as a result of minimum pricing and other measures it should be noted that they are likely to purchase other goods and services with their remaining disposable income. Therefore Government revenue in other areas may increase and balance out any income lost from alcohol sales.

How would minimum pricing be implemented?

Thorough analysis is needed to ascertain how implementation of minimum unit pricing would work, but in principle, retailers would be compelled by law to sell alcohol at or above the established minimum unit price. Compliance would have to be monitored, with fines for non-compliance. We should be optimistic that it can be effectively implemented, particularly

as it puts the burden on the retailer, as happened with the sale of bituminous fuels and the introduction of the smoking ban in Ireland.

Distilling the facts on MUP

MUP is not a tax on the poor

MUP targets cheap, strong alcohol that tends to be consumed by very young people and harmful drinkers from all walks of life and which causes most harm. If you drink within safe limits, the introduction of a minimum unit price of €1 for alcohol will mean a maximum price increase of 30 cents a week on alcohol purchased in supermarkets and other retailers.

Alcohol is cheap in supermarkets and off-licences

Alcohol in pubs, restaurants and clubs can be expensive in Ireland, but alcohol purchased mainly in supermarkets and other retail outlets has never been cheaper. In many cases, it is being sold below the price of water. A woman can achieve her weekly safe limit of alcohol consumption for just €6.30, while a man can reach this weekly limit for less than €10. In 2011, alcohol was 45% more affordable than it was in 1980.

We are all paying a very high price for alcohol in Ireland in terms of the numbers of people who die as a result of its use and those who are harmed. Alcohol costs the Exchequer €3.6 billion year – money that could otherwise be spent on healthcare and providing other important services for all of us.

MUP will NOT unfairly penalise everyone for the minority of people who drink too much

The current policy of low alcohol prices means that those who drink within safe limits are subsidising the behaviour of the large numbers of people who are drinking at increasing and higher risk levels and who are experiencing harm. In fact, MUP is a targeted way to help vulnerable groups who need the most support, not the majority, who have nothing to fear. It is designed to particularly impact on very young and hazardous drinkers who experience most health harms, accidents, incidents and deaths.

MUP can make a huge difference

In parts of Canada, when minimum price has been consistently and rigorously implemented, it has resulted in a reduction in the amount people drink, with fewer hospital admissions and fewer alcohol-related deaths. MUP enjoys strong support from all health bodies in Ireland, Scotland, the UK and Europe.

Ireland is not becoming a nanny state

Ireland led the way in introducing the work place ban on smoking in the face of fierce opposition from the tobacco industry. This policy has saved lives and reduced the harm caused across Irish society as a result of smoking. Just like the tobacco industry, the highly profitable alcohol industry is similarly resistant to any initiatives that will reduce consumption of their products and reduce profits and the dividends required for their shareholders. Their business model depends on people drinking to excess and on enticing the next generation to drink even more. This is how they boost profits. As MUP has been shown to reduce alcohol consumption, its success poses a significant threat to the profitability of the drinks industry, which is why they are bitterly opposed to it and spending substantial amounts of money to fight it in the courts and by lobbying Governments.

MUP is not illegal

Both UK competition law and EU free trade law allow for the setting of a minimum unit price for the retail sale of alcohol by a government or public authority for public health purposes. The EC treaty states that restrictions on the free movement of goods can be justified if implemented on the grounds of public policy and the protection of health. In a recent ruling, the European Court of Justice has accepted the right of member states to use pricing measures to control consumption and harm for public health objectives.

MUP will not lead to a growth in the illegal alcohol trade.

According to the World Health Organisation, policing and control is the solution to illicit trade.

Alcohol is cheaper in other parts of Europe but it's not true to say they don't have a problem

Europe has the highest drinking levels in the world. Affordability, availability and promotion of alcohol have created the alcohol culture we have today. In France, where they introduced Loi Evin that banned sponsorship of sports events by alcohol companies, consumption of alcohol has fallen. It is estimated that there are 50,000 premature deaths a year in France as a result of alcohol.

Alcohol is embedded in our national identity – it's a big cultural problem here

Alcohol consumption in Ireland is embedded in our national identity and it is often associated with significant cultural and religious events. Research by the Health Research Board^v shows that harmful drinking is very common in Ireland, in particular for men and

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women under 35 years, and because it is “normal” behaviour to consume high quantities in a single session, many people do not realise that they are harmful drinkers.

Ireland has a huge problem with underage drinking. Almost two-thirds (63.9%) of males and half (51.4%) of females started drinking alcohol before the age of 18 years. One-in-five (21.1%) drinkers engaged in binge drinking at least once a week.

MUP will not affect the price of alcohol in pubs, clubs and restaurants

It won't affect prices in pubs, clubs and restaurants but it will close the gap between pub and supermarket prices. MUP is supported by the Vintners Federation of Ireland and the National Off-Licence Association.

This is not prohibition

MUP is not about stopping people enjoying alcohol. Alcohol is a drug. The more you consume the higher your risk of disease or experiencing harm. It's linked to more than 60 medical conditions and is the third biggest risk factor for disease, including cancers such as bowel, liver and breast cancer in women and disability in the world. Alcohol should not be treated like other everyday household products.

MUP will not lead to job losses

Jobs are already being lost, because small businesses such as pubs and off licenses can't compete with cheap supermarket prices. Minimum unit price will help level the playing field.

MUP will not raise crime rates among dependent drinkers who seek the means to feed their habit

Alcohol is already a major cause of crime. Almost half of all violent crime is alcohol-related. We need to tackle this and a minimum unit price is an important part of the solution. We know there's a clear link between affordability and consumption. We also know that a minimum unit price is not a silver bullet and those who turn to crime to feed an alcohol habit clearly also require treatment.

MUP saves lives

Evidence suggests that 197 lives, currently lost in Ireland purely as a result of alcohol use every year will be saved.

Crime rates will fall

The introduction and enforcement of MUP should lead to a sharp fall in crime rates, with 1,493 fewer offences a year estimated.

There will be fewer workplace absences

The number of workplace absences due to alcohol should reduce by 115,600 a year.

There are huge potential savings for Irish society

Over 20 years the value of reductions in health, crime and workplace harms is estimated at €1.7 billion.

Scotland is committed to introducing MUP

Plans to introduce a minimum unit price in Scotland have been delayed until legal proceedings are concluded. This was inevitable and is simply part of a process that began when the Scottish Government lodged its proposal. A legal challenge by the global alcohol industry was always expected. These are just stalling tactics – similar to those employed by the global tobacco industry.

Other resources

RCPI Statement on Reducing Alcohol Health harm:

http://www.rcpi.ie/content/docs/000001/782_5_media.pdf

Alcohol Action Ireland campaign on minimum pricing:

<http://alcoholireland.ie/campaigns/minimum-pricing/>

Sheffield University Research Group on Alcohol and Minimum Pricing:

ⁱ UNCRC

ⁱⁱ The Royal College of Physicians of Ireland Policy Group on Alcohol Submission to Public Health (Alcohol) Bill 2015

ⁱⁱⁱ Model-based appraisal of minimum unit pricing for alcohol in the Republic of Ireland September 2014

^{iv} Using formula $1000 \times 0.75 \times 0.115 = 86.25$ grams of alcohol

^v *Alcohol Consumption in Ireland 2013: Analysis of a national alcohol diary survey*, Health Research Board



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