

Briefing on Minimum Unit Pricing

April 2019

1st May 2019 marks the first anniversary of the implementation of minimum unit pricing of alcohol in Scotland. Scotland was the first country in the world to implement a minimum unit price for alcohol (MUP), following a ten year campaign.

The minimum unit price was **set at 50 pence per unit** meaning that since 1st May 2018 no alcohol can be sold in Scotland below this price. The impact on prices has been almost exclusively in the off-trade, where 73% of alcohol was sold in Scotland prior to MUP being introduced. High-strength, low-cost products such as strong ciders and lagers and cheap spirits have been particularly affected.

MUP is **expected to deliver significant health and social benefits**. It is estimated that MUP will save around 60 lives and reduce hospital admissions by around 1,300 in the first year alone. These effects build over time. At full effect, by year 20, MUP is expected to save 120 lives and reduce admissions by 2,000 each year.

It is **too early to say** what the impact of the policy has been so far. While routine data may give some early indication of the impact of MUP, care should be taken when interpreting year-on-year changes as these can occur by chance.

MUP will be one of the **most thoroughly evaluated policies** ever implemented in Scotland. The MESAS (Monitoring and Evaluating Scotland's Alcohol Strategy) programme, led by NHS Health Scotland, is an extensive set of independent research studies which will look at both the intended and unintended consequences of MUP and will publish its final report in late 2023.

The MUP legislation includes a **'sunset clause'**, meaning that it will expire after the sixth year of implementation (30 April 2024) unless the Scottish Parliament votes for it to continue. To inform this decision there is a 'review clause' requiring Scottish Ministers to present a review report to parliament on the impact of MUP after five years of its operation. The MESAS research programme and its final report will be key in informing this decision.

As the Scottish Government has previously stated, the minimum price per unit has to be set and remain at a level that is proportionate. The Scottish Government recently **committed to a review of the minimum price** for alcohol after two full years of implementation (1st May 2020) to ensure it remains appropriate.

Minimum pricing in Scotland

From 1 May 2018 minimum unit pricing became a new mandatory condition of a premises and occasional licence in Scotland, so applies to shops, pubs, restaurants and clubs which sell alcohol. The minimum unit price was set at 50 pence per unit meaning no alcohol can be sold in Scotland below this price.

The impact on prices has almost exclusively been in the off-trade where, prior to MUP, nearly half of alcohol sold (47%) was sold below 50p per unit.¹ High-strength, low-cost products such as strong ciders and lagers and cheap spirits have been particularly affected. For example, before minimum pricing, it was possible to buy a 3 litre bottle of cider for £3.99 (equivalent to 18p per unit), whilst the same product must now cost at least £11.25.² On-sales prices in bars, restaurants and clubs have largely been unaffected as most prices were already well above 50 pence per unit.

The legislation contains what is known as a ‘sunset clause’. This means that it will expire after the sixth year of implementation unless the Scottish Parliament votes for it to continue. To inform this decision there is a ‘review clause’ requiring that the Minister presents a review report to parliament on the impact of MUP after five years of its operation.

A [timeline of key events in MUP policy in Scotland](#) is included at the end of this briefing.

Why do we need minimum pricing in Scotland?

Alcohol consumption levels are linked to the price of alcohol – when alcohol gets cheaper, consumption levels generally increase (and vice versa).³ Prior to MUP, alcohol was much more affordable than it was 40 years ago, and people in Scotland bought the vast majority (73%) of their alcohol from shops and supermarkets, where it has been cheapest.¹ The more people drink, the more alcohol-related diseases and social problems increase. Alcohol-specific death rates are more than twice as high as they were in the 1980s.¹

Scotland has a particular problem with alcohol, which can be seen when compared to other parts of the UK. In Scotland, alcohol consumption and deaths are significantly higher: we drink 14% more in Scotland than in England and Wales,¹ and our alcohol-specific death rates are almost double those south of the border.⁴

How will we know if it has been effective?

MUP will be one of the most thoroughly evaluated policies ever implemented in Scotland. The MESAS (Monitoring and Evaluating Scotland’s Alcohol Strategy) programme, led by NHS Health Scotland, is an extensive set of independent research studies which will look at both the intended and unintended consequences of MUP and will publish its final report in late 2023.

A number of reports covering different elements of the evaluation programme will be published before then. The first report, on compliance by licence holders, will report mid-2019. A report describing sales-based consumption since MUP was introduced is due in late 2019. A full list of MESAS studies and when they are expected to report is available [here](#). In addition to the MESAS studies a number of [separately funded studies](#) are also being undertaken. More about the evaluation can be [found here](#).

What has minimum pricing achieved so far?

The simple answer is that it is too early to say. Some partial and limited data has been issued from some market research companies which suggests that the amount spent on alcohol in Scotland has increased and that people are swapping drinks. The Sheffield model anticipates that this will happen so this is not unexpected.⁵ What the currently available data does not tell us is whether the amount of pure alcohol sold in Scotland is going up or down because the data are based on ‘natural volumes’

i.e. they count a litre of weak beer the same as a litre of whisky (for more on understanding the data see the [NHS Health Scotland 6 month MUP briefing](#)). More importantly it does not tell us whether alcohol harm - such as deaths, hospitalisations and crime - is going up or down.

Routine data on sales and harm will be continue to be published annually in the NHS Health Scotland MESAS annual monitoring reports. The next MESAS Monitoring Report, due in June 2019, will include sales data on the amount of alcohol sold in Scotland in 2018 (as MUP was introduced in May 2018 the data will cover four months pre- and eight months post-MUP).

Annual statistics on alcohol-specific deaths are published by National Records of Scotland in June (again the figures for 2018 will cover four months pre- and eight months post-MUP). Annual statistics for alcohol-related hospital admissions are published by Information Services Division of NHS National Services Scotland towards the end of 2019 (the figures for 2018-19 will cover 1 month pre- and 11 months post MUP). While these data may give some early indication of the impact of MUP, care should be taken when interpreting year-on-year changes as these can occur by chance. The MUP evaluation will undertake statistical analysis on longer term trends to increase confidence that any changes observed are due to MUP.

Will the minimum price go up?

As the Scottish Government has previously stated, the minimum price per unit has to be set and remain at a level that is proportionate. The Scottish Government recently committed to a review of the minimum price for alcohol after two full years of implementation (1st May 2020), to ensure it remains appropriate.⁶

Where else has minimum pricing?

Some form of minimum pricing has been in place in Canada, certain states of the USA, Russia, Moldova, Ukraine and Uzbekistan for a number of years.⁷ Scotland was the first country to implement this model - which focuses solely on alcohol content, not the type of product - throughout its jurisdiction. With the implementation of minimum pricing, Scotland has truly become a world leader in alcohol policy. Other jurisdictions are following our model:

- ✓ The **Northern Territory in Australia** is the first Australian jurisdiction to pass minimum pricing legislation; commencing 1st October 2018,⁸ this was set at \$1.30 per standard drink (around 80p per unit).⁹
- ✓ **Wales** passed MUP legislation via the Public Health (Minimum Price for Alcohol) (Wales) Act in June 2018. Following a consultation, the Welsh Government plans to set this at 50p per unit (secondary legislation is expected shortly)¹⁰ and aim to implement this in summer 2019.
- ✓ Minimum pricing for alcohol had cross-party support in the **Northern Ireland** Assembly before it was suspended in March 2017.
- ✓ In **Ireland**, legislation to set a minimum price for alcohol was passed in October 2018. The Public Health (Alcohol) Act 2018 set a minimum price of 10 cent per gram of alcohol (approximately 70p per unit). A commencement date has yet to be announced. Initial plans to implement the policy across Ireland and Northern Ireland at the same time have not been possible due to a lack of sitting government in Northern Ireland.
- ✗ After announcing plans for a UK-wide minimum price in 2012, the Westminster government reversed its decision in July 2013. The UK Government has since stated that minimum unit pricing for **England** is under review and Public Health England will be asked to review the impact of minimum unit price in Scotland.¹¹

What difference will it make?

1. Minimum pricing will save lives, improve health and reduce crime.

Modelling by the University of Sheffield has estimated that in the first year alone, minimum pricing could prevent around 60 alcohol-related deaths, 1,300 hospital admissions¹² and 3,500 crimes.¹³ The most recent Sheffield research (2016) estimated that a minimum price of 50p per unit would result in the following benefits by full effect of the policy (year 20)¹²:

- Reduction in alcohol consumption of 3.5% (7% for the heaviest drinkers)
- Alcohol-related deaths would fall by about 120 per year
- A fall in hospital admissions of 2,000 per year.

2. Minimum pricing targets the heaviest drinkers because they buy most of the cheapest, strongest alcohol like white cider and own-brand spirits.

Minimum pricing is particularly effective at reducing the amount of alcohol drunk by harmful drinkers* as they tend to buy most of the cheap alcohol that is affected by minimum pricing.¹² It is expected that the heaviest drinkers will change what they are drinking, swapping from strong, cheap alcohol (like white cider) to wine and spirits, meaning they consume fewer units for their money.

A minimum unit price of 50p per unit is expected to result in an annual 7% reduction in alcohol consumption in harmful drinkers (roughly equivalent to 8 bottles of vodka or 27 bottles of wine), and a 2.5% reduction in consumption by hazardous drinkers.¹² For people drinking heavily, even small reductions in consumption can have big health benefits. Minimum pricing will also help to prevent alcohol problems from developing in the first place.

3. Minimum pricing will particularly benefit heavy drinkers living in poverty.

Though poorer households are less likely to buy and consume alcohol, they are disproportionately more likely to suffer the harms associated with drinking.¹⁴ That's because people in our poorest communities who drink heavily tend to drink significantly more than heavy drinkers in more affluent communities,¹⁵ as well as having other health issues. Those living in Scotland's most deprived areas are eight times more likely to die or be hospitalised due to alcohol than those in our least deprived communities.¹

Because they suffer the most harm, health gains of minimum pricing are expected to be greatest in hazardous and particularly harmful drinkers in poverty. The 2.6% of the population who are in poverty and drinking at hazardous and harmful levels are predicted to experience 46% of the lives saved by a minimum unit price.¹⁶ Similarly, estimates show the largest expected reductions in hospital admissions as a result of minimum pricing will be for hazardous and harmful drinkers in poverty.¹²

4. Minimum pricing does not affect pubs.

Prior to minimum pricing, drinks in pubs and restaurants were already mostly above 50p per unit: the average price per unit in the on-trade was £1.80, compared to 54p per unit in shops.¹ The impact of MUP is therefore almost exclusively in the off-trade.

5. Minimum pricing is widely supported.

Minimum pricing is supported by the public, politicians, doctors, police, homelessness services, children's charities and parts of the licensed trade.

* 'Harmful drinkers' are defined as people whose usual alcohol intake exceeds 50/35 units per week for men/women. 'Hazardous drinkers' are defined as people whose usual alcohol intake exceeds 14 units per week but is less than 50/35 units per week for men/women.

MUP Timeline

January 2008	Scottish Health Action on Alcohol Problems (SHAAP) publishes <i>Price, Policy and Public Health</i> , a report of an Expert Workshop which includes a recommendation that “The Scottish Government should establish minimum prices for alcoholic drinks”.
June 2008	Scottish Government publishes <i>Changing Scotland’s Relationship with Alcohol: A Discussion Paper</i> , committing the government to taking a whole population approach to reduce consumption and harm and seeking views on “the principles on which a minimum pricing scheme for alcohol products should be established”.
March 2009	Scottish Government publishes <i>Changing Scotland’s Relationship with Alcohol: A Framework for Action</i> , including a commitment to implement minimum unit pricing as one of over 40 measures to reduce consumption and harm.
September 2010	Scottish Parliament votes to remove provisions on minimum pricing from the Alcohol etc. (Scotland) Act 2010.
24 May 2012	Alcohol (Minimum Pricing) (Scotland) Act is passed unopposed by the Scottish Parliament.
29 June 2012	Alcohol (Minimum Pricing) (Scotland) Act receives Royal Assent.
January 2013	Scotch Whisky Association (SWA) and other European wine and spirit trade associations seek judicial review of MUP on the basis that it is unlawful.
May 2013	Outer House of Court of Session rules MUP is lawful.
February 2014	SWA appeals Outer House ruling. Case referred to the European Court of Justice.
December 2015	European Court of Justice issues an opinion but says it is for national court to determine whether MUP meets proportionality test.
October 2016	Inner House of Court of Session concludes that MUP is lawful.
December 2016	SWA granted leave to appeal to UK Supreme Court.
November 2017	UK Supreme Court unanimously dismisses the appeal by the Scotch Whisky Association and others, ruling that the Alcohol (Minimum Pricing) (Scotland) Act 2012 does not breach EU law, and that minimum pricing is appropriately targeted, lawful and proportionate.
25 April 2018	Scottish Parliament unanimously approves the Alcohol (Minimum Price per Unit) (Scotland) Order 2018, setting the minimum price at 50 pence per unit.
1 May 2018	Implementation of minimum price.
November 2018	The Scottish Government publishes the Alcohol Framework 2018, which includes a commitment to review the minimum unit price following two full years of implementation.
1 May 2020	<i>Scottish Government to review the minimum unit price of alcohol after this date.</i>
April 2023 - April 2024	<i>Scottish Government to report to Scottish Parliament on “the operation of and effect of minimum unit pricing” during the five years of its operation.</i>
30 April 2024	<i>Minimum pricing expires if Scottish Parliament does not approve an order to extend it.</i>

Alcohol Focus Scotland's Role

[Alcohol Focus Scotland \(AFS\)](#), along with [Scottish Health Action on Alcohol Problems \(SHAAP\)](#), has been at the forefront of the campaign to establish minimum unit pricing in Scotland over the last ten years. As a key source of expertise on alcohol harm and evidence-based interventions in Scotland, AFS helped to build understanding of the evidence base and support for MUP as one of the main ways in which to prevent and reduce alcohol harm in Scotland.

We have produced research and policy briefings, contributed to Parliamentary debates and undertaken extensive media work on MUP. We have undertaken price surveys which highlight how cheaply alcohol is sold, the most recent of which is [here](#). AFS also made a written intervention in the MUP court case, believed to be a first for an NGO, in order to demonstrate civic society's support for the policy.

¹ Giles, L. & Robinson, M. (2018). *Monitoring and Evaluating Scotland's Alcohol Strategy: Monitoring Report 2018*. Edinburgh: NHS Health Scotland. <http://www.healthscotland.scot/media/1863/mesas-monitoring-report-2018.pdf>

² Alcohol Focus Scotland (2016). *Scottish Alcohol Price Survey 2016*. Glasgow: Alcohol Focus Scotland. <http://www.alcohol-focus-scotland.org.uk/media/152485/Scottish-price-check-2016.pdf>

³ Anderson & Baumberg (2006) cited in Österberg, E. (2012). *Pricing of alcohol. Alcohol in the European Union: consumption, harm and policy approaches*. Copenhagen, WHO Regional Office for Europe, 96-102.

⁴ Office for National Statistics (2018). *Alcohol-specific deaths in the UK: registered in 2017*. London: ONS. <https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/causesofdeath/bulletins/alcoholrelateddeathsintheunitedkingdom/registeredin2017>

⁵ Purshouse, R., Meng, Y., Rafia, R., Brennan, A. & Meier, P. (2009). *Model-based appraisal of alcohol minimum pricing and off-licensed trade discount bans in Scotland: A Scottish adaptation of the Sheffield Alcohol Policy Model version 2*. SchARR, University of Sheffield. https://www.sheffield.ac.uk/polopoly_fs/1.95608!/file/scottishadaptation.pdf

⁶ Scottish Government (2018). *Alcohol Prevention Framework 2018: Preventing Harm. Next steps on changing our relationship with alcohol*. Edinburgh: Scottish Government.

⁷ Carragher & Chalmers (2012) cited in Stockwell, T. and Thomas, G. (2013). *Is alcohol too cheap in the UK? The case for setting a Minimum Unit Price for alcohol*. London: Institute of Alcohol Studies.

⁸ Northern Territory Government (no date). 'Northern Territory Alcohol Policies and Legislation Reform: Floor Price.' Accessed 01/04/2019 from <https://alcoholreform.nt.gov.au/milestones/floor-price>

⁹ 1 Australian standard drink = 10 grams of alcohol and 1 British unit of alcohol = 8 grams of alcohol, so 1 standard drink = 1.25 units and \$1.30 = 1.25 units; 1 unit of alcohol = \$1.30/1.25 = \$1.04 so 1 unit of alcohol = £0.79 (per exchange rates as at 01/04/2019).

¹⁰ Welsh Government (15 February 2019). 'Cabinet Statement Written Statement: Welsh Government Consultation Outcome: Minimum Unit Pricing of Alcohol.' Accessed 01/04/2019 from <https://gov.wales/written-statement-welsh-government-consultation-outcome-minimum-unit-pricing-alcohol>

¹¹ <https://www.parliament.uk/written-questions-answers-statements/written-question/commons/2018-06-28/158754>

¹² Angus, C., Holmes, J., Pryce, R., Meier, P. & Brennan, P. (2016). *Model-based appraisal of the comparative impact of Minimum Unit Pricing and taxation policies in Scotland An adaptation of the Sheffield Alcohol Policy Model version 3*. SchARR, University of Sheffield https://www.sheffield.ac.uk/polopoly_fs/1.565373!/file/Scotland_report_2016.pdf

¹³ Meng, Y., Hill-McManus, D., Brennan, A., & Meier, P. (2012). *Model-based appraisal of Alcohol Minimum Pricing and Off-Licensed trade discount bans in Scotland using the Sheffield Alcohol Policy Model (v 2): Second Update based on newly available data*. Sheffield: SchARR, University of Sheffield. https://www.sheffield.ac.uk/polopoly_fs/1.150021!/file/scotlandupdatejan2012.pdf

¹⁴ Smith, K. & Foster, J. (2014) *Alcohol, Health Inequalities and the Harm Paradox: Why some groups face greater problems despite consuming less alcohol*. London: Institute of Alcohol Studies.

¹⁵ McLean, J., Christie, S., Hinchliffe, S. & Gray, L. (2018). *The Scottish Health Survey 2017 Edition: Volume 1: Main Report*. Edinburgh: Scottish Government.

¹⁶ Angus, C. (2017, November 23). Why minimum unit pricing is not a tax on the poor. *Institute of Alcohol Studies*. Retrieved from <http://www.ias.org.uk/Blog/Why-minimum-unit-pricing-is-not-a-tax-on-the-poor.aspx>