

Minimum Pricing – Two Years On

May 2020



- » **1st May 2020 marks the second 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**. At full effect, by year 20, MUP is expected to result in 120 fewer deaths, 2,000 fewer hospital admissions and 3,500 fewer crimes each year.
- » 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 Public 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 [evaluation reports](#) have been published over the past year or so. **Results so far are encouraging**, with high compliance, the lowest consumption rate in 25 years, and little impact on the alcohol industry. It is still too early to see the impact of the policy on health and social harm.
- » 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. Scottish Ministers are required to present a review report to parliament on the impact of MUP after five years of its operation to inform Parliament’s decision. The MESAS research programme will be key in providing evidence for this report.
- » 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 has **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 that 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 (47%) of alcohol sold 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 present 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 had become 64% more affordable than it was in 1981,¹ and people in Scotland bought the vast majority (73%) of their alcohol from shops and supermarkets, where it was 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. Prior to the implementation of MUP, alcohol consumption and deaths were significantly higher in Scotland than in England and Wales: we drank 14% more,¹ and our alcohol-specific death rates were almost twice the rate found 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 Public Health Scotland, is an extensive set of independent research studies which is looking at both the intended and unintended consequences of MUP; it will publish its final report in late 2023.

A number of reports covering different elements of the evaluation programme will be published before then, with several reports on short-term impacts already published. Results so far are encouraging, with high retailer compliance⁵ and a reduction in off-trade sales of 3.6% in the first year of the policy, compared to a 3.2% increase in England and Wales.⁶ Alcohol sales in 2018 (which covered eight months post-MUP implementation) were at their lowest level in 25 years.⁷ Consumers are switching to smaller packs, lower-alcohol drinks and more premium products, and shops are no longer stocking some products, such as large bottles of high-strength ciders.⁸

There is some evidence of cross-border purchasing, although this often pre-dated MUP and there has been no evidence of 'white van' runs.⁸ There has been little impact on the alcohol industry,⁸ with some stores even benefitting from the policy (convenience stores can now compete with supermarkets, resulting in some financial benefits).⁹

It is still too early to see the impact of the policy on health and social harm. Routine data shows similar levels of alcohol-specific death and alcohol-related hospitalisation rates to previous years.^{10,11} However, a reduction in alcoholic liver disease hospitalisations, particularly among lower income groups, is a positive sign.

For all the evidence reported so far, see [Evaluation and other evidence on the impact of Minimum Unit Pricing](#) briefing. More about the evaluation is available on the [Public Health Scotland website](#), including a [full list of MESAS studies and when they are expected to report](#) and information on [separately funded studies](#).

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 has committed to a review of the minimum price for alcohol after two full years of implementation (1st May 2020), to ensure it remains appropriate.¹²

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.¹³ 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** was the first Australian jurisdiction to pass minimum pricing legislation; commencing 1st October 2018, this was set at \$1.30 per standard drink (around 58p per UK unit at the time).¹⁴ A recent evaluation has found that the MUP legislation was associated with significant decreases in a number of health and social outcomes, such as alcohol-related assaults, ambulance attendances, hospital admissions, road traffic accidents and child protection orders.¹⁵
- ✓ **Wales** introduced a minimum unit price for alcohol through the Public Health (Minimum Price for Alcohol) (Wales) Act 2018. A 50p per unit minimum price was implemented from 2 March 2020.
- ✓ Minimum pricing for alcohol had cross-party support in the **Northern Ireland** Assembly before it was suspended in March 2017.
- ✓ In **Ireland**, the Public Health (Alcohol) Act 2018 set a minimum price of 10 cent per gram of alcohol (approximately 70p per unit). Work to implement an all-Ireland minimum unit price for alcohol has been delayed through the suspension of the Northern Ireland Assembly until early 2020, and the subsequent developments around COVID-19 and the Republic of Ireland elections. Both the Health Secretary for the Northern Ireland Executive and the Minister for Health in the Republic of Ireland have expressed interest in working together on MUP implementation.
- ✗ 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.¹⁶

What difference is MUP expected to make?

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

Modelling by the University of Sheffield has estimated that a 50p per unit minimum price would lead to a 3.5% reduction in alcohol consumption (7% for harmful drinkers), preventing around 60 alcohol-related deaths and 1,300 hospital admissions in the first year alone.¹⁷ At full effect of the policy (year 20), a 50p MUP is expected to result in:

- Around 120 fewer alcohol-related deaths per year¹⁷
- Around 2,000 fewer alcohol-related hospital admissions per year¹⁷
- Around 3,500 fewer crimes per year.¹⁸

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.¹⁷ 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.¹⁷ 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.¹⁹ For example, alcohol-specific death rates are seven times higher in Scotland's most deprived communities than in the most affluent communities.⁷

That's because people in our poorest communities who drink heavily tend to drink significantly more than heavy drinkers in more affluent communities²⁰ and are more likely to have other compounding factors such as smoking, poor diet or general health issues.²¹

Because they suffer the most harm, health gains of minimum pricing are expected to be greatest for 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.²¹ 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.¹⁷

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

Date	Event
January 2008	Scottish Health Action on Alcohol Problems (SHAAP) publishes Price, Policy and Public Health , a report of an Expert Workshop which includes a recommendation that “The Scottish Government should establish minimum prices for alcoholic drinks”.
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	<u>Start of legal action by industry:</u> 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	<u>End of legal action by industry:</u> UK Supreme Court rules unanimously that the legislation 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	Scottish Government to review the minimum unit price of alcohol after this date.
April 2023 - April 2024	Scottish Government to report to Scottish Parliament on “the operation of and effect of minimum unit pricing” during the five years of its operation.
30 April 2024	Minimum pricing expires if Scottish Parliament does not approve an order to extend it.

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.

References

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- ¹² Scottish Government (2018). *Alcohol Prevention Framework 2018: Preventing Harm. Next steps on changing our relationship with alcohol*. Edinburgh: Scottish Government.
- ¹³ 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.
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