Why we need to know more about the impact of price rises on dependent drinkers

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I would like to congratulate Falkner et al for adding to an incredibly sparse literature regarding how severely alcohol-dependent drinkers respond when they cannot afford alcohol. I also commend The New Zealand Medical Journal for being willing to publish a simple, descriptive study with sharp and current policy relevance—not just for New Zealand, but for many other countries currently considering the use of pricing policies to reduce alcohol-related harm.

Alcohol is the leading preventable cause of death among young adults globally and a major contributor to preventable death, disease and disability in the wider population. Multiple systematic reviews have identified interventions that reduce the affordability of alcohol as being the most effective for reducing this burden. In recent years, minimum pricing strategies have received particular attention, largely because they target the heaviest drinkers who tend to drink the cheapest alcohol, consumption of cheap alcohol is highly responsive to price changes and emerging evidence of public health benefits in Canada, where minimum pricing has been in place for several decades. It is probably also critical that this policy guarantees industry profits and, in many scenarios, also increases government revenues.

So, what’s holding up wholesale implementation of a policy with so many virtues? A great deal. Setting floor prices and price fixing of any kind is anathema to proponents of free trade economics. Multinational companies with broad interests in a variety of products in addition to alcohol (eg, fast food) have strenuously opposed efforts in Europe, particularly Scotland, to create a precedent for exemptions to tough EU free trade laws—even though the minimum alcohol pricing would protect their considerable profits from alcohol. Then there is the profound unpopularity of any policy that increases the price of a popular product like alcohol. Macdonald et al have shown that the more a population drinks, the greater the unpopularity of raising alcohol prices. Opponents of alcohol pricing policies frequently invoke the folk wisdom that they ‘punish the many for the sins of the few’, ie, they mostly affect moderate drinkers and are ineffective for heavy drinkers. The idea is promoted that ‘an alcoholic’ will always manage to get their alcohol and that a price rise will simply mean they will do so by committing crimes and/or by substituting more dangerous illicit substances.

In their paper, Falkner et al instead tap into the wisdom of the very group of people being discussed: a group of 115 severely dependent drinkers undergoing detoxification. Firstly, they demonstrate that the proposed alcohol price minima in New Zealand of between NZ$1 and NZ$1.20 per 10g standard drink would directly impact the drinking of between 36% and 54% of the sample, who report typically purchasing their drinks at prices below these minima. Secondly, they confirm research from other countries showing that the heaviest drinkers gravitate towards the cheapest alcohol: those spending less than $1 per standard drink consumed on average a whopping 30 drinks per day. Thirdly, the coping strategies reported by this sample when they could not afford alcohol were often quite positive (eg, seeking treatment, going without alcohol) and very few said they would steal or seek out non-beverage alcohol. A number said they would use illicit drugs, though likely in the majority of cases this would have involved cannabis, a far less harmful drug than alcohol.
However, it must be acknowledged that the most common coping strategy of ‘doing without essentials’ is of potential concern both for the drinkers themselves and for any family members. Overall though, the results support the authors’ conclusion that, in a population most affected by the introduction of a minimum price for alcohol, there would be net decreases in consumption and also associated reductions in harm.

I would like to add a caution, however, around going too far beyond these encouraging early findings. This was a self-report survey including a number of hypothetical questions and of course answers that imply willingness to commit criminal acts may often be suppressed. Going forward, we will need studies to measure actual changes in behaviour before and after significant price changes. Should Scotland succeed in its legal battle with the European Union to be allowed to introduce a 50p minimum price for a unit of alcohol, other countries, such as Ireland and Estonia, have announced they plan to follow their lead once the legal issues are resolved. Furthermore, several Canadian jurisdictions are looking to strengthen their minimum pricing policies in light of the emerging local evidence of effectiveness. It is likely that opportunities will become available for more robust studies into the reality and extent of potential unintended negative consequences of minimum pricing. It will be important to extend the focus of such research to include the larger populations of drinkers who while not severely alcohol dependent, are nonetheless exceeding low-risk drinking guidelines. Will they also forego purchasing essentials such as food and clothing? Will this affect their family members adversely?

Finally, it is important to stress that while it is likely that there will be some unintended negative consequences, these need to be seen in contrast to the demonstrated benefits of minimum pricing policies. In Canada, recent research has shown that a 10% increase in the average minimum price per standard drink is associated with 9% reductions in alcohol-related hospital admissions10 and an 11% reduction in violent offences.12 Unintended consequences can also be mitigated. Given the cost savings and increased revenue opportunities for governments who implement alcohol pricing policies, measures could be taken to offset negative impacts on low-income groups. For example, in Canada there is growing interest in programs for homeless dependent drinkers, whereby regular low doses of beverage alcohol, shelter and food are provided in ‘managed alcohol programs’ with some evidence of effectively reducing harms.8

So, in summary, Falkner et al’s study should encourage policymakers in New Zealand to consider the introduction of minimum alcohol pricing. Their findings encourage the view that in contrast to the demonstrated public health and safety benefits of this policy, feared negative consequences for vulnerable populations of heavy drinkers may be minor and manageable. Future research should continue Falkner et al’s focus on possible negative consequences for vulnerable populations and, if real, how they can be best mitigated.

Competing interests: Nil

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