

OPHA Issue Series

Alcohol Pricing

Strategies to Reduce Alcohol-Related Harms and Costs in Ontario

Facts

- Increasing alcohol prices results in both financial and health benefits by reducing overall rates of consumption as well as high-risk drinking and associated harms and costs.
- In British Columbia, a 10 per cent increase in minimum alcohol prices was associated with a 32 per cent drop in alcohol-related deaths.¹
- In Saskatchewan, a 10% increase in minimum prices significantly reduced consumption of all types of alcoholic beverages by almost 8.5%.²
- While alcohol pricing policies are often perceived as “punishing the many for the sins of the few”, research from the UK is clear on the positive effects of pricing policies on different segments of the population. Researchers from Sheffield estimate that a minimum price of \$1.50 applied across all beverage categories in Canada would lead to reduced consumption overall and impact the heaviest drinkers the most.³

What Works

Proposed Policy	Rationale	Current Ontario Landscape
Alcohol prices indexed to inflation	To ensure alcohol products do not become cheaper than other goods over time	✓ Minimum prices ONLY
Pricing based on alcohol content by volume	Provides incentive to buy lower alcohol products	Retail outlets: ✓ In most categories except fortified wine* Licensed establishments: ✗ Alcohol content not always taken into account; no policy requirement in Ontario
Minimum pricing	Prevents inexpensive alcohol products from emerging (often favoured by young adults and risky drinkers)	✓ Ontario has set minimum prices for all beverage categories (on and off premise); however not uniform and consistently applied e.g. government run liquor stores may undercut minimum prices by as much as 70% and minimum prices do not apply to products sold in ferment on premise outlets

*Ontario bases their minimum prices on alcohol content by banding products within most beverage categories. This is done best for beer in Ontario. Taken from Thomas, G. (2012) Levels and Patterns of Alcohol Use in Canada. (Alcohol Price Policy Series: Report 2) Ottawa, ON: Canadian Centre on Substance Abuse.

- Strengthen Ontario’s pricing policies by increasing minimum prices to the recommended minimum of \$1.50 per standard drink for off-premise sales and \$3.00 per standard drink for on-premise sales, and close loopholes that go against precautionary pricing principles
- Adjust prices and keep pace with inflation (despite indexing minimum prices to inflation, the average price of alcohol has fallen behind the CPI since 2006)
- Restrict discounted alcohol e.g. free samples, delisted products
- Adjust all prices to account for alcohol content

Call to action for Ontario

- Conduct a formal review and impact analysis of the health and economic effects of alcohol in Ontario.
- Support and develop a provincial Alcohol Strategy.
- Bring all government ministries together to ensure health and safety implications are considered when developing new public policy or making changes to existing policies.

Ontario Public Health Association

www.opha.on.ca

1 (416) 367-3313

admin@opha.on.ca

@OPHA_Ontario

1. Zhao J, Stockwell T, Martin G, Macdonald S, Vallance K, Treno A, Ponicki W, Tu A, and Buxton J. (2013) The relationship between changes to minimum alcohol prices, outlet densities and alcohol attributable deaths in British Columbia in 2002-2009. *Addiction*, 108: doi: 10.1111/add.12139
2. Stockwell T, Zhao J, Giesbrecht N, Macdonald S, Thomas G, Wettlaufer A. The raising of minimum alcohol prices in Saskatchewan, Canada: impacts on consumption and implications for public health. *Am J Public Health*. 2012 Dec;102(12)
3. MODEL-BASED APPRAISAL OF ALCOHOL MINIMUM PRICING IN ONTARIO AND BRITISH COLUMBIA: A Canadian adaptation of the Sheffield Alcohol Policy Model Version 2; University of Sheffield, December 2012.
4. Thomas, G. (2012) Price Policies to Reduce Alcohol-Related Harm in Canada. (Alcohol Price Policy Series) Ottawa, ON: Canadian Centre on Substance Abuse.
5. Giesbrecht, N. & Wettlaufer, A. (2013). Reducing Alcohol-Related Harms and Costs in Ontario: A Provincial Summary Report. Toronto: Centre for Addiction and Mental Health.