

Alcohol Consumption in British Columbia and Canada: A Case for Liquor Taxes that Reduce Harm

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(Centre for Addictions Research - 778-793-9041, 778-793-4120) | In Thomas and Puri, 2007

Overview

Alcohol consumption in Canada has increased by over 11% in the past decade.

Per adult absolute alcohol consumption in British Columbia has increased from 8.18 litres in 2002 to 8.53 litres in 2005.

Since 2002 the numbers of hospitalizations and neuro-psychiatric deaths attributable to alcohol in BC have increased by 11.7% and 18%, respectively.

In 2005 there were an estimated 25,194 alcohol-related injuries and illnesses in BC requiring hospitalization compared with 4,817 related to illicit drug use.

There is extensive scientific evidence to support the use of pricing and taxation strategies as effective means of reducing alcohol consumption and related harms.

In British Columbia such strategies are readily achievable because the government alcohol monopoly directly controls liquor prices.

65% of the coolers now sold in BC contain 7% alcohol content and have an average price of \$5.41 per litre, compared with \$8.07 for coolers with a 5-5.9% alcohol content.

We recommend that liquor prices more closely reflect alcohol content and that these are regularly updated with the cost of living.

Beers and coolers with low alcohol content should have significantly lower price 'mark-ups' applied to give manufacturers, retailers and consumers incentives to produce, market and consume these products.

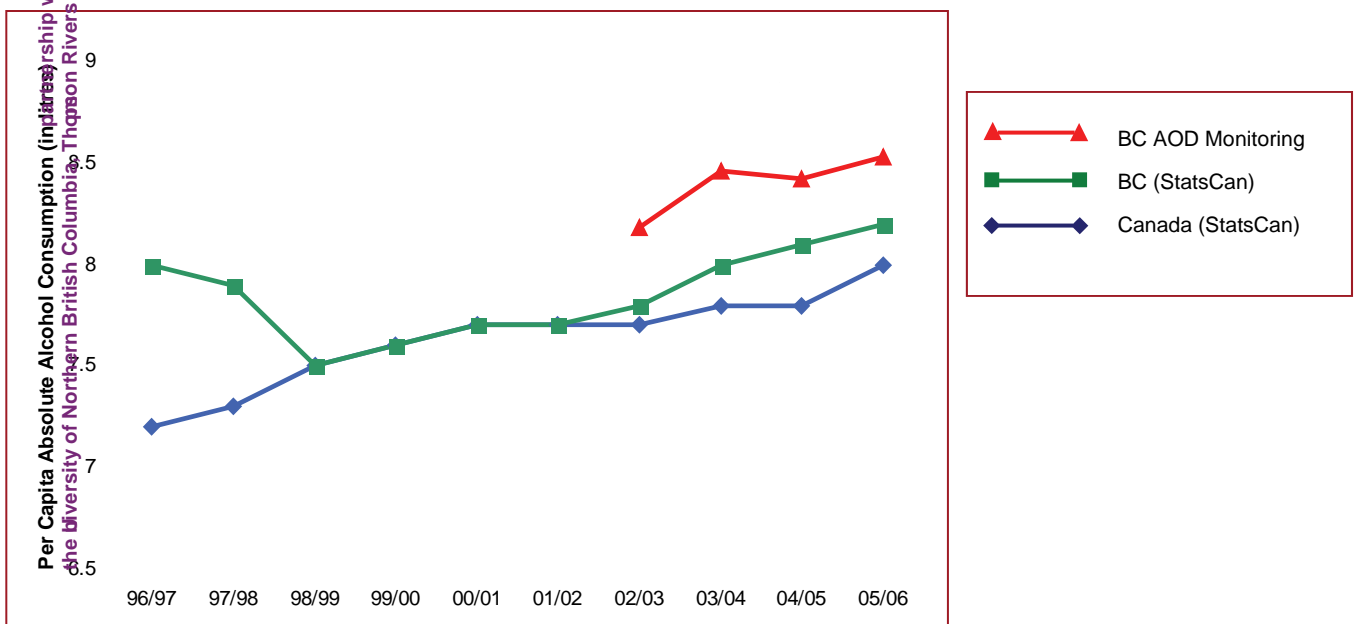
Minimum prices also need to be set and updated regularly to ensure there are no cheap high strength products available.

We also recommend that a "nickel a drink" tax be introduced to generate \$95.7 million per annum for treatment and prevention programs.

Detailed results are available at the BC Alcohol and Other Drug Monitoring website (www.AODmonitoring.ca)

Revised January 29, 2008

Figure 1: Per adult absolute alcohol consumption in BC and Canada, fiscal years 1996/7-2005/6



In recent years, per adult

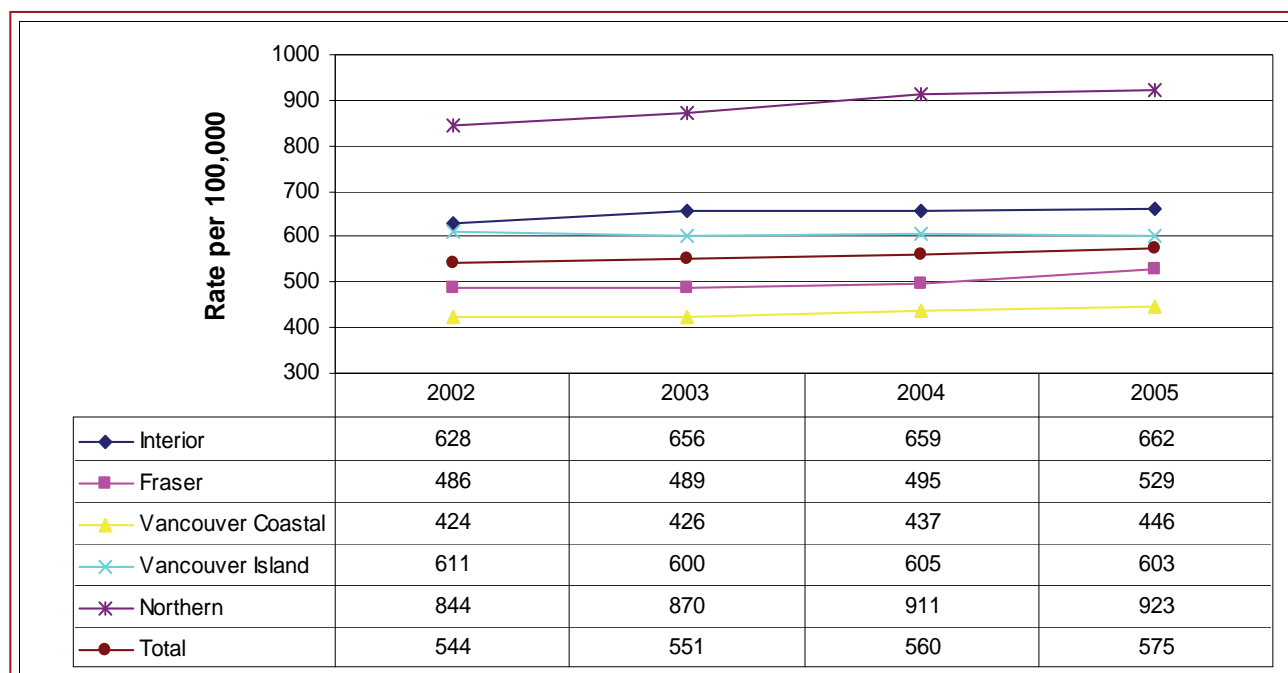
CAS data at 4.3% of total consumption. The home-brew figure is likely conservative because self-reported data underestimate actual consumption (Stockwell *et al*, 2004). Estimates from other sources such as illegal sales and cross-border shopping will be made in the future.

While the total per adult absolute alcohol consumption increased across most BC regions and the province as a whole, important regional differences are observed. *Figure 2* shows consumption of alcohol across the 28 BC regional districts in 2005. The lowest levels (under 8 litres of absolute alcohol per adult) are noted in the Fraser Valley and the

Table 1: Market share and price incentives for consumers to drink different strength beers in BC, 2005/6*

Strength	Percentage of beer market	Number of brands	Mean alcohol content	Mean \$ per standard drink	Mean \$ per litre of drink
<4.0%	0.22	3	3.70	2.57	5.57
4.0-4.9%	14.38	95	4.49	2.18	5.68
5.0-5.9%	80.75	348	5.11	1.81	5.39
6.0-6.9%	2.60	42	6.26	1.81	6.62
7.0+%	2.05	33	8.14	1.50	7.12
Total	100	521	5.27	1.87	5.65

Figure 4: Age and sex standardized rates of hospital discharges attributable to alcohol by health authority, 2002-2005



Source: Ministry of Health.

Note: Data analyzed by the BC Centre for Disease Control for the BC AOD Monitoring Project

Discussion

