

Media release

Thursday 20th August

‘Pocket money’ affordability continues to sustain Ireland’s excessive use of alcohol.

Alcohol Action Ireland releases its annual Alcohol Market Review and Price Survey 2020

- **Alcohol is so cheap in Ireland – Irish men can drink weekly low-risk guideline limit for as little as €7.65; women €4.95.**
- **Highly sophisticated pricing strategy ensures alcohol affordability is universal throughout urban, regional or rural Ireland.**
- **Introduction of Minimum Unit Pricing must now be prioritised as a proven way to reduce alcohol harm**
- **Ireland’s Off-Licence holders share an estimated €3.78 billion bonanza market**

Alcohol Action Ireland, the independent advocate for reducing alcohol harm, has today (20th August) published its annual Off-Trade (excl. licenced premises) alcohol market review and price survey. It again confirms the exceptional affordability of alcohol to every day shoppers and the urgent necessity to commence minimum pricing of alcohol products that will ensure the strongest, cheapest alcohol at very low cost is eliminated from the market.

Additionally, the Survey highlights a sophisticated pricing strategy for alcohol across the Irish Off-Trade market, which enhance affordability at all levels of retail experience (supermarkets, convenience stores and neighbourhood shops), and the value of the Irish Off-Trade shared amongst a small number of major retail operators.^[i]

Commenting on the findings of the 2020 Survey, Eunan McKinney, Head of Communications at Alcohol Action Ireland, said:

“The exceptional affordability of alcohol from off-trade sellers, across a retail landscape dominated by a few major corporations, continues to sustain Ireland’s excessive use of alcohol. As long as alcohol can be purchased at ‘pocket money’ prices, and so easily, the public health objectives to reduce alcohol harms, will not be reached.

We are now almost two years on from the enactment of the Public Health (Alcohol) Act and inertia marks the implementation of the central policy measures on Pricing, Promotion and product information.”

Prof. Frank Murray, Chair: Alcohol Health Alliance Ireland, said:

“The Taoiseach, Micheál Martin, has demonstrated, since his own innovative tenure as Minister for Health, that he has a strong commitment to objectives of public health alcohol policy. The findings of the Alcohol Action price survey must act as a catalyst for the new government and Minister for Health, Stephen Donnelly, to honour, without further delay, its longstanding commitment to introduce minimum pricing of alcohol products.

Vital decisions, currently being put off or stalled by vested interests, will have to be made by this government. Minimum unit pricing of alcohol products, which offers significant gains for public health, must be implemented urgently; spurious economic rationale proposed by the alcohol lobby cannot be allowed to trump the health of a nation.”

Dr Joe Barry, Adjunct Professor of Public Health Medicine, said:

“Throughout the COVID-19 crisis we have witnessed a significant shift in alcohol use, with hyper-competitive pricing fuelling a massive surge in off-trade sales and an increase in domestic drinking. This temporary behaviour may well become a permanent lifestyle for many, which in time will only add to the already enormous public cost burden to care and manage the corrosive impact on individuals, their families, enterprise and across the whole of our society of alcohol harms.”

The survey conducted over two weeks, 15-27 July, across three nationwide locations, one urban and two regional centres, highlights that cider products remain the cheapest, strongest alcohol products available to the off-trade consumer.

Beer products are the second cheapest ahead of Wine and Spirit products such as gin and whiskey. The Irish consumer can spend (average) as little as:

0.44c for a Standard Drink of Cider
0.52c for a Standard Drink of Beer
0.59c for a Standard Drink of Wine
0.69c for a Standard Drink of Gin
0.62c for a Standard Drink of Vodka
0.62c for a Standard Drink of Whiskey

Our survey found that –

an adult male, consuming alcohol within these low-risk guidelines can drink the weekly low-risk limit (17 Standard Drinks) for as little as €7.65, and

an adult female, consuming alcohol within these low-risk guidelines can drink the weekly low-risk limit (11 Standard Drinks) for as little as €4.95.

The average annual hourly earnings of all employees were €23.88 in 2019 (CSO, June 2020).

The national minimum wage for an experienced adult employee is €10.10 per hour (National Minimum Order 2020).

Ireland’s Off-Licence holders share a €3.78 billion off-trade COVID market

The Central Statistics Office (CSO) most recent data from the National Income and Expenditure Annual Results 2019, published in July 2020, has determined the total Consumption of Personal Income on Alcohol Beverages (incl. pubs) was **€7.392 billion**, a 1.9% increase on 2018.

The Household Budget Survey 2015 to 2016 provides an insight into average weekly household expenditure. The total weekly expenditure on Alcoholic drink and tobacco – €28.00, illustrates that

€10.56 was on 'Drink consumed at home' while €10.06 was on 'Drink consumed out' with the remainder spent on tobacco products. From this data we can extrapolate that of the monies expended on alcohol, 51.2% is focused on the Off-Trade ('Drink consumed at home'). **This indicates that the value of the Irish Off-Trade market in 2019 was approximately €3.78 billion.**

The World Health Organisation (WHO) Europe in its Update Report 'Alcohol pricing in the WHO European Region' (2020) again emphasises the efficacy of Minimum unit pricing, outlining that 'there is a robust evidence base supporting its effectiveness at reducing alcohol consumption and harm, particularly in the heaviest drinkers'.

In 2018, the Global Burden of Disease Study 2016, *estimated* alcohol attributable deaths for Ireland at 2,790 (1800 men and 990 women) per annum.

Every euro gathered in excise duties from alcohol in Ireland is met by three euro of public expenditure to manage the impact of alcohol harm. Every citizen is already paying the cost of the impact of alcohol related harms to the tune of €720 per annum; the social and economic cost to Irish society is €3.6bn, of which €1.7bn is the cost of dealing with alcohol-related inpatient care (11% of all public healthcare expenditure).

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Editor's Note

The full detail of the Price Survey is available at:

https://alcoholireland.ie/wpfb-file/price_survey_2020-xlsx/

A set of explanatory graphics are available for publication on request.

The Market review and Price survey was carried out in **Dublin** locations: city centre and south city; one regional city: **Sligo**, and one town: **Navan**, by Alcohol Action Ireland between 15 -27 July 2020. A range of convenience stores, neighbourhood shops and supermarkets were surveyed: Aldi, Centra, Dunnes, Lidl, Londis, Spar, Supervalu and Tesco.

As well as the retail price, the survey shows the number of standard drinks contained, the price per standard drink (10 grams of alcohol (rounded to the nearest cent)) to illustrate how much it costs to reach a low-risk drinking guideline limit, if purchasing the cheapest alcohol products for sale in the off-trade. The survey also features the projected Minimum Unit Price for each product selected.

The methodology deployed sought to establish the unit cost per Standard Drink: 10g of pure alcohol in each product surveyed, for example –

A Beer product that is 4.3% ABV in a 500ml volume container, contains 1.7 Standard Drinks, while A Gin product that is 37.5% ABV in a 700ml volume container, contains 20.7 Standard Drinks.

The HSE weekly recommended low-risk guidelines for alcohol consumption are:

Men: 17 standard drinks (168 grams of pure alcohol) or less, spread out over the course of a week, with at least two to three alcohol-free days.

Women: 11 standard drinks (112 grams of pure alcohol) or less, spread out over the course of a week, with at least two to three alcohol-free days.

For further details see HSE AskAboutAlcohol website at:

<https://www.askaboutalcohol.ie/your-drinking/weekly-low-risk-drinking-guidelines/>

The **Public Health (Alcohol) Act, 2018**, enacted over 650 days ago regulates the minimum pricing of alcohol products; Section 11, when commenced, ensures that a standard drink of alcohol cannot be sold in Ireland for less than €1.00 (0.10 cent per gram of alcohol).

The strategic objective of public health policy, since the enacted Public Health Alcohol Act, has been to obtain a 20% reduction in the consumption of alcohol from 11 litres per capita to 9 litres per capita. The consumption rate for 2019 was 10.9 litres per capita.

‘Alcohol in the Time of COVID’ – unprecedented market growth.

Since the imposition of restrictive measures and the closing of all licenced premises, Off-Trade alcohol sales have soared. Over the Easter period, Nielsen reported sales had increased 44% and by mid May, Kantar were reporting a 93% growth for the proceeding five week period to 17th May.

The most recent retail market analysis report from Kantar, highlights that alcohol product sales in the off-trade for the 12 weeks to the 12 July 2020 (while most on-trade licenced premises were closed) had increased 76%, year-on-year:

<https://www.kantarworldpanel.com/ie/Press-Releases/Ireland-eyes-return-to-normality-but-lockdown-habits>

In 2018, the Global Burden of Disease Study 2016, *estimated* alcohol attributable deaths for Ireland at 2,790 (1800 men and 990 women) per annum. To date, the current COVID pandemic has caused the death of 1775 people.

^[1] The Responsible Retailers of Alcohol in Ireland – **RRAI**, who represents over 2,700 supermarket and convenience store members, most recent annual compliance report (Nov 2018) highlights that two entities control 60% of all off-licences.