

INCREASING AFFORDABILITY OF ALCOHOL IN NEW ZEALAND

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Background:

Increasing the price of cheap alcohol is an important tool in a package of measures that governments can use to reduce alcohol consumption and alcohol-related harm. We investigated trends over time in alcohol prices and affordability.

Approach:

We used data from Stats NZ to calculate alcohol affordability (price of alcohol relative to income), using Consumer Price Index (CPI) measures to estimate price and income from the Quarterly Employment Survey. Minutes of work needed to earn a standard drink was calculated for an 'average worker' using income from the Household Labour Force Survey. Averagely priced standard drinks were calculated from CPI data and discounted standard drinks calculated from the Liquor Information Pricing Service website.

Outcomes:

Alcohol is now more affordable in New Zealand than in the 1980s. The affordability of beer, spirits and liqueurs has increased by around 10% from 2012 to 2017 and the affordability of wine has increased by 20%. In 2017, it took only 2.1 minutes for an average worker to earn enough money to buy one standard drink of *averagely priced* cask wine. It took 1.6 minutes to earn enough to buy a *discounted* standard drink of cask wine.

Conclusions: Alcohol has become more affordable in New Zealand, due to incomes increasing more than alcohol prices. In 2017, it took just over 10 minutes for an average worker to earn enough to buy six standard drinks of discounted alcohol, and exceed the current low-risk drinking advice for both men and women.

Addressing the increasing alcohol affordability in New Zealand through alcohol pricing policies has the potential to reduce alcohol consumption and alcohol-related harm.

Disclosure of Interest Statement:

No interests to disclose.