

As a future Member of Parliament how can you develop the country by reducing the harm done by alcohol use?



Alcohol Use

Alcohol use prevalence of male adults (over 18 years) in Sri Lanka is 35%. This means that there are around 3 million alcohol users in Sri Lanka.

Arrack and Beer consumption in 2018 was 156 million litres. Beer production has increased by 71 million litres comparative to 2017.

On average, a Sri Lankan man who consumes alcohol uses almost 18.9 litres of alcohol per year. This is a high amount compared to other countries.

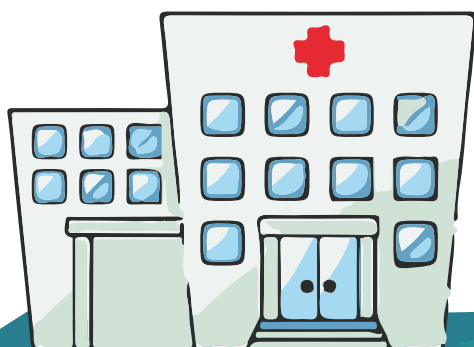
Alcohol use leads to many health, social and economic problems within a country

The Health Problem

A majority of deaths in Sri Lanka (70%) are caused by non-communicable diseases (NCDs). Alcohol use is one of the main risk factors for these diseases. Approximately 40 people die daily due to alcohol use.

It has been scientifically proven that any amount of alcohol is unhealthy for consumption. Further, alcohol use is a major risk factor for several diseases such as cancer, heart disease, stroke, cirrhosis.

Regardless of the taxes paid by alcohol industries, the government has to bear a large cost due to treatment of alcohol-related diseases and alcohol-related injuries. In 2015, the economic cost on the government due to alcohol was nearly Rs. 120 billion.



The Economic Problem



A substantial amount of revenue can be obtained as excise taxes from alcohol, but due to the irrationality of current excise taxing on alcohol the government is losing a significant amount of revenue that can be obtained.

At the end of 2017, there was an excise tax cut on beer, leading to a loss of Rs. 76.40 per bottle of beer— This translates to a loss of Rs. 12.5 billion.

Due to the inadequate excise tax increase on beer in the 2019 budget the government lost a large amount of revenue again. The beer company has benefitted from this move and increased their profits.

In 2019, taxes on certain types of alcohol was increased, but taxes on arrack was not increased. However, the industry increased the price of arrack. Due to this the arrack companies were able to earn an extra Rs. 500 million profit in the month of March alone.

The argument brought by the Minister of Finance to justify decreasing prices was the inaccurate fact that 49% of the alcohol users in the country use 'kasippu' (illicit brew). Surveys conducted by various organizations and surveys of ADIC has proven that 'kasippu' use in the country is less than 10%.

Therefore, the government could have earned Rs. 550 million, per year, through a rational excise tax increase.

Poverty

People spend Rs. 590 million, daily and Rs. 215.35 billion, annually on legal alcohol in Sri Lanka.

Most money on alcohol is spent by people in lower socio-economic groups, leading to further economic hardships. This causes the government to invest more to address poverty.

Effective alcohol control can reduce this cost in the long-term and the money saved can be invested in other development projects.

The Social Problem



Alcohol use becomes a problem not only for the user but also for their family and society. Alcohol has links to a range of social problems such as, domestic disputes, road traffic accidents, using alcohol as an excuse for violence against women and thievery. Alcohol is identified as a major factor which negatively affects a person's well-being. The reduction of these problems with strong alcohol control is beneficial for the government.

Propositions/ recommendations for alcohol control



Alcohol control is highly beneficial for economic, social, and health development of a country. The following evidence-based policy recommendations are crucial for effective alcohol control.

- Implement the National Policy on Alcohol Control which has already been adopted by the Parliament.
- Increase prices of alcohol including arrack and beer, adjusting to the inflation rate through comprehensive tax policies.
- Introduce minimum unit pricing for alcohol. This can reduce the alcohol industry producing low priced beer to influence youth to use alcohol.
- Take urgent action to adopt and implement the proposed amendments to the currently implemented National Authority on Tobacco and Alcohol Act, thereby, completely banning all types of alcohol marketing and sponsorships.
- Strengthen restrictions on alcohol sales including discontinuing issuance of new bar licenses, banning sales in places accessible to everyone such as supermarkets and banning sales near religious places and schools.
- Display health warning labels, to show the harm of alcohol to the alcohol user, on alcohol bottles and packaging.
- Develop and implement a comprehensive mechanism to conduct alcohol prevention programmes from early childhood with the aim of preventing use before initiation.
- Provide services and treatment facilities for people who currently use alcohol to be free from use.