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Study finds trading time restrictions for onsite alcohol retailers in Western Cape will save lives

A team of researchers at the University of Cape Town (UCT), led by Samantha Filby, recently collaborated with the DG Murray Trust to conduct a modelling [study](#) that estimated the health and economic impacts of restricting the trading hours of retailers selling alcohol for onsite consumption in the Western Cape.

The research team considered three latest closing-time scenarios: midnight, 01:00 and 02:00. Data for the model baseline was drawn from national surveys on alcohol consumption, the Treasury's annual budget reviews and publications from StatsSA and the South African Medical Research Council.

The authors estimated the impact of each closing time on alcohol consumption, the number of cases and deaths associated with six alcohol-related health conditions (road injury, intentional injury, liver cirrhosis, HIV, TB, and breast cancer), and the hospital costs of treating each of these health conditions. The study also assessed the policy's impact on alcohol expenditure, excise tax, value-added tax (VAT), retail revenue, and the cost of combating alcohol-related crime in the Western Cape.

The estimates suggest that all closing time scenarios correspond to decreases in alcohol consumption, the number of deaths due to six alcohol-related conditions, the number of cases of these six conditions, hospital costs of addressing the alcohol-related conditions, the cost of combatting alcohol-related crime, and the revenue accruing from alcohol sales and alcohol taxation.

Estimates of how much lower the number of cases of the six alcohol-related health conditions would be over the next 20 years stand at between 163 800 and 453 000 under the midnight closing-time scenario, 88 700 and 220 300 (01:00 scenario), and 12 600 and 28 300 (02:00 scenario).

Correspondingly, the total hospital cost saving over the next 20 years is estimated to be between R326.8 million and R890.2 million (midnight scenario), R130.5 million and R381.2 million (01:00), and between R18.7 million and R46.0 million (02:00).

In the year following the policy's introduction tax revenue (excise and VAT) on alcohol sales is expected to decrease by between R100 million and R333 million under a midnight closing-

time scenario. Under the 01:00 scenario, it would fall between R54 million and R179 million. And in the 02:00 scenario, tax revenue would fall between R9 million and R27 million.

Estimates suggest that retail revenue would decrease by between R328 million and R1,093 million (midnight closing time), between R176 million and R587 million (01:00), and between R27 million and R89 million (02:00).

What should government do? According to Filby, the choice of which closing time to implement is a political decision that balances reductions in alcohol retailers' revenues and tax revenues with increased health benefits and the associated hospital cost savings, and reductions in the costs of combatting alcohol-related crime in the Western Cape.

"Our work provides policymakers with estimates to inform their decision-making," she said.

The model estimates suggest that a midnight closing time is the most pro-health policy option, while a 02:00 closing time is the most pro-industry. However, from a public health standpoint, Filby said the 02:00 closing time scenario still represents a modest improvement from the status quo.

Filby commented: "On its own, a policy that restricts the legally permissible trading times of onsite alcohol retailers will not be a total 'game-changer' in reducing alcohol-related harms. It will, however, contribute positively to achieving this outcome and amplify the impact of a more broad-based approach to reducing alcohol consumption and its related harms in the province.

"A broad-based approach should include evidence-based policies such as bans on alcohol advertising, minimum alcohol unit pricing, and make it easier for people to get counselling and treatment if they struggle with alcohol dependence. Only a comprehensive policy framework that targets alcohol consumption at an individual and societal level will effectively combat alcohol-related illness and death, and the adverse health, economic and social consequences."

Filby and her colleagues call for verified alcohol sales data to be reported to the Western Cape Liquor Authority as a condition of license for selling alcohol in the province and argue that legislative provisions should be to ensure an audit of these sales data. They noted that "this will ensure more effective monitoring of trends in alcohol consumption, facilitate the evaluation of policies, and increase tax compliance".

The report further recommended that any legislative amendments to alcohol trading times should be implemented uniformly across the Western Cape. Currently, 25 different laws determine the permissible trading hours of retail liquor outlets in the province since the Cape Town Metropolitan municipality and each of the 24 local municipalities have their by-laws on liquor trading hours.

According to Filby, given the evidence that limiting trading hours will reduce alcohol-related harms, restrictions that vary by the municipality will not be conducive to the government achieving its stated objective of reducing these harms across the province.

For more information about the study, please contact Samantha Filby at samantha.filby@uct.ac.za

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