# Public Perception and Valuation of UV Health Risks: A Comparison Across Low and High Risk Countries (CSERGE working paper GEC 01-05)

**Professor Caroline Saunders** 

Director, Agribusiness & Economics Research Unit, Lincoln University, Canterbury, New Zealand

Roy Brouwer <sup>1,2</sup>, Ian J Bateman <sup>2,3</sup>, Nick Hanley <sup>4</sup>, Richard Dubourg <sup>5</sup>, Stavros Georgiou <sup>2</sup>, Areti Kontogianni <sup>6</sup>, Fernando Machado <sup>7</sup>, Susana Mourato <sup>8</sup>, Caroline Saunders <sup>9</sup>, Michalis Skourtos <sup>6</sup>, Emma Tompkins <sup>2</sup>

- <sup>1</sup> Corresponding author. Present address: Institute for Integrated Freshwater Management and Waste water Treatment (RIZA), National Water Policy Division, PO Box 17, 8200 AA, Lelystad, the Netherlands. E-mail: <a href="mailto:r.brouwer@riza.rws.minvenw.nl">r.brouwer@riza.rws.minvenw.nl</a>.
- <sup>2</sup> Centre for Social and Economic Research on the Blobal Environment (CSERGE), University of East Anglia, Norwich, United Kingdom.
- <sup>3</sup> School of Environmental Sciences, University of East Anglia, Norwich, United Kingdom.
- <sup>4</sup> Consultants, London, United Kingdom.
- <sup>5</sup> University of Aberdeen, United Kingdom
- <sup>6</sup> University of the Aegean, Mytilini, Lesvos, Greece.
- <sup>7</sup>. University of Lisbon, Lisbon, Portugal.
- <sup>8</sup> London School of Economics, London, United Kingdom.
- <sup>9</sup> Commerce Division, Lincoln University, Canterbury, New Zealand

Abstract. The paper confirms public understanding of scientific evidence regarding the health risks of sunbathing. Many people value having a tan, but know that getting one is risky. Public awareness, understanding and perception of the health risks of sunbathing was investigated in low and high risk countries across Europe and in New Zealand. Measures to reduce health risk levels were valued in terms of public willingness to pay for a sunscreen that protects 100 percent against the damaging effects of sun exposure and increased taxation to finance the International Multilateral Fund established under the Montreal Protocol to reduce the emission of ozone layer depleting substances.

Public awareness is highest in New Zealand. The New Zealand Cancer Society has been running awareness and prevention programmes on television and through other media since the early 1980s. Melanoma is perceived as more of a public health problem in New Zealand than in Europe. Seventy percent knows someone in his or her direct vicinity, relative or otherwise, who has melanoma, compared to only 32 percent in England, 27 percent in Scotland and 15 percent in Portugal and Greece.

Compared to other activities which involve a certain degree of health risk such as drinking, smoking, driving a car or accidents in the home, the health risks of sunbathing or getting a tan are perceived significantly higher in New Zealand than in North or South Europe. Interestingly, the health effects of sunbathing are perceived as more detrimental in South Europe (Portugal and Greece) than in North Europe (England and Scotland), even though the actual risks are higher in the latter part of Europe.

Contrary to recent research findings, no significant differences could be detected in sunbathing intensity (hours) in any of the countries between people who apply sunscreen and people who do not. Nor could a

significant relationship be found between the sun protection factor people use and sunbathing hours, except for a weak positive correlation in Portugal.

It is shown that a substantial market exists for higher protection sunscreens. The policy message derived from public willingness to contribute to the International Fund is perhaps of even greater interest as the costs and benefits are geographically dispersed and actual payments to the International Fund by industrial countries are considerably less than agreed.

### Aim of project

- \* To assess public perceptions, behaviour and attitudes towards the risk of UV exposure.
- \* To determine WTP to reduce risks of damage from UV exposure, both private and public.
- \* To inform policy making

#### Methodology

- \* WTP to reduce risk = f(total risk, income, utility from exposure)
- \* total risk = f(exogenous risk, self protecting activities)

#### Survey

- \* countries surveyed, 1997 1998, representing different exogenous risk factors as well as attitudes and behaviour NZ (359), Scotland (198), England (251), Portugal (501) and Greece (106) (respondent numbers in brackets)
- \* 4 parts to the survey; general background and demographic characteristics; behaviour towards exposure to sunlight; attitudes and knowledge re risks of exposure; WTP questions for both private and public good expenditure to reduce risks of UV exposure

#### **Summary and Conclusions**

- Men and women had similar habits but women used sunscreen more
- Sun screen use affected by income but risk perception not
- \* NZ is main risk area and this is reflected in attitude and behaviour
- \* WTP for private good similar across all countries
- \* WTP for public good differs but highest in NZ

## WTP for private and public good 1998 pounds

	NZ	England	Scot	Greece	Port
Private Good	10.1	9.1	10.1	102	4.5
Public Good	144.8	58.7	41.9	39.3	16.4

#### **Bibliography**

- Arrow, K., Solow, R., Portney, P.R., Leamer, E.E., Radner, R. and Schuman, H. (1993). Report of the NOAA Panel on Contingent Valuation. Federal Register, January 15, 58(10): 4601-4614.
- Bank of New Zealand (1998). Exchange Rates. Bank of New Zealand internet site.
- Bateman, I.J. and Willis, K.G. (eds.) (1999) Valuing Environmental Preferences: Theory and Practice of the Contingent Valuation Method in the US, EU, and Developing Countries, Oxford University Press.
- Bentham, C.G. (1993). Depletion of the ozone layer and change in the incidence of disease. GEC Working Paper 93-01, Centre for Social and Economic Research on the Global Environment (CSERGE), University of East Anglia and University College London.
- Bentham, C.G. and Aase, A. (1996). Incidence of malignant melanoma of the skin in Norway 1955-1989: Associations withsolar ultraviolet radiation, income and holidays abroad. International Journal of Epidemiology, 25: 1132-1138.
- Brouwer, R., Bateman, I.J., Saunders, C. and Langford, I.H. (1999). Perception and valuation of risk reduction as a public and private good: Investigating methodological issues in contingent valuation of UV risks in New Zealand. GEC Working Paper 99-06, Centre for Social and Economic Research on the Global Environment (CSERGE), University of East Anglia and University College London.
- Cummings, R.G., Brookshire, D.S. and Schulze, W.D. (1986).
  Valuing Environmental Goods: An Assessment of the Contingent Valuation Method. Rowman and Allanheld, Totowa.
- Elwood, J.M. (1989). Epidemiology of melanoma: It's relationship to ultraviolet radiation and ozone depletion. In: Jones, R.R. and Wigley, T. (eds.). Ozone depletion: Health and environmental consequences. John Wiley and Sons, Chichester, UK.
- Georgiou, S., Langford, I.H., Bateman, I.J. and Turner, R.K. (1998). Determinants of individuals' willingness to pay for perceived reductions in environmental health risks: A case

- study of bathing water quality. Environment and Planning A, 30: 577-594.
- Halstead, J.M., Lindsay, B.E. and Brown, C.M. (1991). Use of the Tobit model in contingent valuation: Experimental evidence from the Pemigewasset Wilderness Area. Journal of Environmental Management, 33: 7989.
- Harras, A., Edwards, B.K., Blot, W.J. and Ries, L.A.G. (eds.)
  (1996). Cancer rates and risks. Fourth edition. US
  Department of Health and Human Services, National
  Institute of Health. DHHS publication no. (NIH) 96-691.
  Bethesda, Maryland.
- Johansson, P-O. (1995). Evaluating health risks. An economic approach. Cambridge University Press.
- Johnston, J. (1984). Econometric methods. Third edition. McGraw-Hill Book Company: Singapore.
- Jones-Lee, M.W. (1989). The economics of safety and physical risk. Blackwell Publishers, Oxford.
- Kristrom, B. and Riera, P. (1996). Is the income elasticity of environmental improvement less than one? Environmental and Resource Economics, 7: 45-55.
- Maddala, G.S. (1983). Limiteddependent and qualitative variables in econometrics. Cambridge University Press, Cambridge.
- McFadden, D. (1994). Contingent valuation and social choice, American Journal of Agricultural Economics, 76: 689-708.
- McGee, R., Williams, S., Cox, B., Elwood, M. and Bulliard, J-L. (1995). A community survey of sun exposure, sunburn and sun protection. New Zealand Medical Journal, 108: 508-510.
- Mitchell, R.C. and R.T. Carson (1989). Using surveys to value public goods: The contingent valuation method. Resources for the future. Washington D.C.
- Nunnally, J.C. (1978). Psychometric theory. Second edition. New York: McGraw-Hill.
- Smith, V.K. (1992). Environmental risk perception and valuation: Conventional versus prospective reference theory. In: Bromley, D.W. and Segerson, K. (eds.). The social response to environmental risk. Kluwer, Boston.
- Sugden, R. (1999).Public goods and contingent valuation. In: Bateman, I.J. and Willis, K.G. (eds.), Valuing environmental preferences. Theory and practice of the contingent valuation method in the US, EU, and Developing Countries. Oxford University Press.
- Summers, G.F. (ed.). Attitude Measurement. RandMcNally, Chicago (1970).
- Torgerson, W.S. (1958). Theory and methods of scaling. New York: John Wiley.
- Tversky, A. and Kahneman, D. (1991). Loss aversion in riskless choice: A reference-dependent model. Quarterly Journal of Economics, 106: 1039-1061.
- World Bank (1999). World Bank Atlas, Washington

Table 1: Respondent sunbathing behaviour (Percentages may not add up to 100 because of rounding errors. Missing vals excluded).

		England	Scotland	Portugal	Greece	New Zealand
Respondent charact	eristics	(%)	(%)	(%)	(%)	(%)
Interview on beach?	(1) yes	59	62	100	85	0
	(0) no	41	38	0	15	100
Main activity	(1) sunbathing	23	48	49	14	3
	(0) other	77	52	51	86	97
Sunbathing	(0) never	24	9	7	11	54
Frequency	(1) 1-4 days/year	19	13	4	12	13
	(2) 5-10 days/year	16	24	14	7	13
	(3) 11-20 days/year	22	23	27	14	10
	(4) 21-30 days/year	9	19	18	16	2
	(5) > 30  days/year	10	12	30	41	7
Sunbathing	(0) none	22	10	1	4	54
Intensity	(1) < half an hour	6	12	1	22	10
	(2) half an hour - 1 hour	17	15	1	30	16
	(3) 1-2 hours	24	29	8	31	16
	(4) 2-4 hours	22	14	50	10	0
	(5) 4-6 hours	7	15	24	2	3
	(6) > 6 hours	2	5	15	1	0
Tan perception	(-2) strongly disagree	4	1	0	9	2
'People look far	(-1) disagree	11	15	16	12	25
better when they	(0) neither agree/disagree	30	28	14	36	31
have a tan'	(1) agree	42	52	57	36	35
	(2) agree strongly	13	4	13	7	7

Table 2: Respondent risk averting behaviour

•		England	Scotland	Portugal	Greece	New Zealand
Respondent characteristics		(%)	(%)	(%)	(%)	(%)
Get sunburnt?	(0) no	62	43	83	68	58
	(1) yes slightly	26	41	6	18	22
	(2) yes quite	10	12	4	12	10
	(3) yes badly	2	4	3	2	5
	(4) yes very badly	1	0	4	0	5
Screen use	(0) never when outdoor	27	9	30	29	15
frequency	(1) sometimes	34	24	16	36	19
	(2) approx. ½ the time	11	25	7	6	9
	(3) almost every time	14	30	13	8	29
	(4) whenever outdoor	13	12	33	21	28
Sunscreen SPF	none (0)	0	4	33	0	8
	1-5	14	4	10	15	0
	6-10	38	43	17	21	5
	11-15	30	29	17	12	84
	16-20	3	14	11	31	3
	> 20	15	6	12	21	0
Alternative measures	Yes	66	83	69	79	72
	No	34	17	31	21	28
Check-up	(1) Yes	12	4	4	1	37
-	(0) No	88	96	96	99	63

Table 3: Respondent risk perception, awareness and knowledge

Respondent Charact	teristics	England (%)	Scotland (%)	Portugal (%)	Greece (%)	New Zealand
Perceived	(0) does not burn	13	3	27	21	1
skintype	(1) does not burn easily	43	40	27	52	37
	(2) burns easily	28	52	26	23	37
	(3) burns very easily	16	5	20	4	25
Know what	(1) yes	69	28	66	45	71
melanoma is?	(0) no	31	72	34	55	29
Know someone	(1) yes	32	27	15	15	69
affected?	(0) no	68	73	85	85	31
Health risk	Lower	49	41	44	51	51
perception	Neutral	12	20	17	19	22
	Higher	39	39	39	31	27