

12 September 2008

Consultation on Alcohol Misuse (CRE 1021)  
CSU  
Spur U5b Saughton Drive  
Edinburgh  
EH11 3XD

Dear Sir/ Madam

**CHANGING SCOTLAND'S RELATIONSHIP WITH ALCOHOL:  
A DISCUSSION PAPER ON OUR STRATEGIC APPROACH**

SCDI is an independent membership network, which strengthens Scotland's economy by influencing policies to encourage sustainable economic prosperity. Its membership includes businesses, trades unions, local authorities, educational institutions, and the voluntary sector.

SCDI welcomes the discussion paper and the new focus and commitment which the Scottish Government has brought to the issue of Scotland's relationship with alcohol. It believes that the economic, public health and public order costs to Scotland, not least its businesses, from alcohol misuse are intolerable. Lost productivity and absenteeism caused by alcohol misuse are a significant concern to many SCDI members.

SCDI has previously commented on the previous Scottish Executive's consultation paper on a National Plan for Action on Alcohol Misuse in June 2001 and to the consultation paper issued by the Nicholson Committee on liquor licensing in Scotland later that year. It also submitted further comments to the Executive when the Nicholson report was published in 2003 and, in advance of the new Licensing Bill, to the Deputy Minister for Finance, Public Services and Parliamentary Business in 2004. In all of these contributions to the debate on alcohol misuse, SCDI has suggested an approach based on the following principles:

- Promoting a mature approach to alcohol among society as a whole;
- Addressing the hard core of alcohol misusers;
- Preventing binge drinking among young people; and
- Recognising the role that the alcohol industry plays in the Scottish economy and licensed premises can play in promoting tourism.

In its responses to the recent UK and Scottish Government consultations on Scotch Whisky Regulations 2008 and a National Food Policy for Scotland, SCDI has highlighted that the approach of government in this country to tackling alcohol misuse is also being monitored internationally. It is important that it is evidence-based, effective and

proportionate, and that Government, the industry and individuals work together, recognising their respective responsibilities. The drinks industry, particularly Scotch whisky, is the most significant constituent of the Scottish food and drink industry. SCDI was pleased that, following representations from a wide range of organisations including SCDI, the Scottish Government recognised that the industry's cross-sectoral approach to achieving higher growth should be reflected in a Food and Drink Policy. It is a concern to SCDI that Ministers are not now taking a partnership approach with the industry in relation to alcohol misuse policy and that these proposals are not evidence-based, are likely to be ineffective and risk undermining the international competitiveness of the Scottish food and drink industry and its economic benefit to Scotland.

As the original Nicholson report noted: most licensees do operate responsibly, and the freedom to promote is "consistent with the whole concept of free competition between traders and, more importantly, there is absolutely no evidence to suggest that they bring about any of the undesirable consequences which are associated with the kinds of [irresponsible] promotional activities which we have described". SCDI is not aware of any evidence which has been published by the Scottish Government which contradicts that clear finding. SCDI welcomes measures to address the minority of retail promotions which irresponsibly encourage excessive drinking. The most effective way of doing so is for government and the industry to work in partnership to develop, monitor and enforce national standards based on existing industry best-practice. This would recognise the progress that the majority of the industry has already made in identifying and encouraging responsible promotions, and effectively enforce the laws and regulations which are already in place, while retaining the concept of free price competition which benefits the responsible majority of consumers.

There is a need to bring about a sensible drinking culture in Scotland. But this will only be achieved by changing attitudes among the irresponsible minority. The introduction of minimum pricing for alcohol and separate areas and checkouts in shops would not effectively target problem drinkers or encourage a greater sense of individual responsibility. Consumers will continue to make choices about their own relationship with alcohol. The priority should be government and industry working together to make these more informed choices, while specifically intervening to address the problems of the irresponsible minority.

It is a disappointment to SCDI that the Scottish Government has brought forward some of these proposals given the representations which it has made to HM Treasury against higher taxes on Scotch whisky on the grounds that that they damage Scottish exports by signalling that punitive and anti-competitive duties may be justified in other markets. If the

Scottish Government continues with its proposed approach, including the introduction of a “social responsibility fee” on licensed premises and restrictions on promotional materials in licensed premises, it risks undermining its single overarching Purpose of higher sustainable economic growth. SCDI is concerned that a precedent of additional, so-called social responsibility taxes would be set for other industries. The Scotch whisky industry plays a particularly important role within the Highlands and Islands economy, not least in tourism. SCDI has been deeply concerned that the proposals as drafted would imply that Scotch whisky distillery visitor centres could no longer offer a dram as part of the hospitality on their tours, although it understands that the Scottish Government has clarified that it will not implement changes which affect these arrangements. The proposals would also prevent small sample tastings of new products and offering small discounts on a bottle of Scotch to visitors in distilleries and Distillery visitor centres. This would undermine the experience of visiting such attractions, and would not only impact on the industry, but the other local arts and crafts which are sold through the centres. These proposals should also be reconsidered.

In addition, we support concerns expressed by the retail industry, and do not support different drinking ages for the on- and off-trade and consider that raising the legal age to 21 will not bring about the intended cultural change.

We also consider that a social responsibility fee that is not fault-based would not provide an incentive for responsible retailers of alcohol to maintain high standards of legal compliance and would relieve problem drinkers of the need to exercise greater personal responsibility when drinking alcohol.

Finally, we believe that introducing an alcohol-only checkout would inconvenience the vast majority of customers who drink responsibly and purchase legally, and add additional costs to the retailing of alcohol, with no benefit toward the aims of the Scottish Government.

There is much to be gained from a genuine partnership between government and industry to make the necessary cultural shift in relation to alcohol e.g. the social and economic benefits of better public health and public order; the economic, employment and community benefits of a strong alcohol industry; a more positive image of Scotland and the promotion of food and drink tourism; and a reduction in the effect of workplace incidents on business. These proposals fail to seize that opportunity. SCDI urges the Scottish Government, the industry and civic Scotland together to develop policies that achieve their shared objective.

I hope that you find these comments useful.

Yours sincerely

**Dr Lesley Sawers**  
**Chief Executive**  
[audrey.mchugh@scdi.org.uk](mailto:audrey.mchugh@scdi.org.uk)