



Scottish Council for  
Development and Industry

## POLICY SUBMISSION

### **The Scottish Council for Development and Industry response to the Health and Sport Committee's enquiry into the Alcohol Etc (Scotland) Bill (SP Bill 34)**

SCDI is an independent and inclusive economic development network which seeks to influence and inspire government and key stakeholders with our ambitious vision to create shared sustainable economic prosperity for Scotland.

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## **1 Introduction**

SCDI recognises that alcohol misuse is a significant problem in Scotland. SCDI members are concerned by lost productivity and absenteeism caused by alcohol misuse and we acknowledge the economic and public health costs to Scotland are considerable.

Given the significant social and economic cost of alcohol misuse, SCDI believes that the most significant economic, social and public health benefits would be derived by Parliament enacting measures which specifically target action on problem drinking.

SCDI believes any approach to changing Scotland's relationship with alcohol should be based on the following principles:

- Promoting a mature, responsible approach to alcohol among society as a whole;
- Addressing the hard core of alcohol misusers, estimated to be 7% of drinkers<sup>1</sup>;
- Preventing binge drinking among young people;
- Fulfil the requirements of EU Competition Policy; and
- Recognising the role that the alcohol industry plays in the Scottish economy and the impact our licensed premises and retailers can have in promoting tourism.

We believe the most effective method of changing Scotland's drinking culture lies in the building of a partnership approach between government, businesses and individuals. We would propose that any new regulation should be developed through this partnership approach, be proportionate and based on the scientific evidence available.

A sensible drinking culture in Scotland will only be achieved by changing attitudes amongst the irresponsible minority to encourage a greater sense of individual responsibility. The Government's priority should be to work with industry to empower individuals to make more informed choices about their alcohol consumption with specific interventions targeted at the problems of the small minority of harmful drinkers.

## **2. Minimum pricing**

SCDI does not believe that the introduction of minimum pricing for alcohol meets the principles stated above. We do not consider that reducing the impact of alcohol consumption across Scotland will be achieved through the enforcement of a minimum price. Instead, we would like to see the Government and the alcohol industry working in partnership to promote and educate individuals on making their own responsible choices on alcohol consumption. This education should start at an early age as part of the teaching on responsible citizenship within school. Without the development of these partnerships and teaching, problem drinking will remain deeply rooted within the nation's culture.

Furthermore, SCDI is concerned that applying a minimum price for alcohol will signal a change in the Scottish Government's approach to tariffs and set a precedent to other countries considering the introduction of tariffs against Scottish produce. This could adversely impact on the Scottish Government's position to argue for fair treatment for one of Scotland's largest exports, Scotch Whisky, whilst simultaneously applying a trade barrier on alcohol products domestically. Whisky accounts for approximately 84% of Scotland's exports of food and drink and the Scotch Whisky Association estimates the consequences of Scotland breaching EU and WTO rules could be a reduction in Scotland's exports of £600m per year.

### **2.1 Alternatives**

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<sup>1</sup> University of Sheffield – Appraisal of alcohol minimum pricing and off-trade discount bans in Scotland, <http://www.scotland.gov.uk/Resource/Doc/285795/0087053.pdf>, Page 8

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SCDI believes there are a number of alternatives to the minimum pricing policy and would be willing to work with the Scottish Government and other stakeholders to create the changes that are necessary. This would build the partnership of industry, consumers, scientists, teachers, voluntary organisations and Government that will bring about behavioural and cultural change in Scotland.

A partnership approach would allow the setting of meaningful, shared targets and a sustained focus on problem drinkers who need the most attention and support.

SCDI would also support the stronger enforcement of existing laws including age checking, penalties for supplying alcohol to minors or to those who are drunk and the implementation of extended test purchasing.

### **3. Alcohol promotions**

Responsible alcohol promotions are an important aspect of retailers' opportunities to encourage custom in an open marketplace. Any attempt to curb retailers' ability to promote their products may easily be regarded as anti-competitive. SCDI would be keen to work with the Government and alcohol retailers to develop a scheme of co-regulation to ensure responsible promotions. This would build on the Portman Group's code of practice which has been praised in Home Office reports.

As with minimum pricing, a ban on alcohol promotions has a disproportional impact on the vast majority of drinkers who consume alcohol responsibly. Research demonstrates that the majority of harmful and binge drinking is not caused by alcohol promotions but is the result of a small number of people holding a dysfunctional relationship with alcohol. This is the problem that needs to be addressed through a partnership of Government, the private sector and individuals.

We are also concerned about the impact a ban on alcohol promotions could have on Scotland's tourist industry. A distillery tour including a free dram and a reduced price bottle of whisky brings in approximately £25m annually to the rural economy and is already regulated by industry codes of practice on the conduct of tastings. We welcome the Government's commitment to ensure that no unintended consequences for whisky-based tourism will occur as a result of new alcohol legislation.

### **4. Social responsibility levy**

SCDI recognises the principle of a social responsibility levy; that those retailers and licensed premises selling alcohol irresponsibly should be asked to contribute towards the cost of the problems this causes, therefore encouraging retailers to consider their responsibilities to the wider community when selling alcohol. The construction of this particular levy does not specifically target irresponsible sellers and makes no distinction between responsible and irresponsible retailing. A social responsibility levy should operate as a financial motivator for those small numbers of retailers who are selling alcohol irresponsibly to improve their performance.

It is important to consider that the social consequences of harmful drinking extend further than the policing and public order problems experienced in town centres. Consideration should be given to how any levy on irresponsible retailers could be channelled towards the other areas impacted by harmful drinking or the voluntary organisations that support families and individuals affected by harmful drinking.

A similar partnership to that described in relation to minimum pricing could discuss how best any levy should be applied or distributed. This partnership should also analyse the extent to which individuals should be encouraged and educated to take responsibility for their own drinking and the consequences of their actions.

### **5. Sale of alcohol to under 21s**

The ease and regularity with which young people purchase and consume alcohol has been a concern across Scotland for a long time. Many laws exist that are not currently enforced that seek to reduce the alcohol culture amongst young people. Adding to these laws has the potential to further complicate the relationship between young people and alcohol at a time when they need to receive education on drinking responsibly.

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Different purchasing rules for different young people across the country sends mixed messages and has the potential to be extremely confusing and hard to enforce. SCDI would prefer to be part of a partnership group setting specific targets and actions to reduce the levels of alcohol consumption amongst young people.

## **6. Oral evidence**

SCDI would be willing to provide oral evidence to the Health and Sport Committee. Please contact James Alexander, Policy and Communications Manager on [james.alexander@scdi.org.uk](mailto:james.alexander@scdi.org.uk) or 0141 352 8553 to arrange this.

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