

scottish churches

parliamentary office

SCPO Briefing 12/2

Alcohol Etc. (Scotland) Bill and Minimum Pricing of Alcohol

Having originally included provisions in the Criminal Justice and Licensing (Scotland) Bill currently making its way through the Scottish Parliament, the Scottish Government has since agreed to remove these sections from the Bill and publish a Bill specifically designed to tackle the problem of Scotland's relationship with alcohol. It is intended to be taken as part of the wider framework relating to alcohol, particularly building on [*Changing Scotland's Relationship with Alcohol: A Framework for Action*](#), the Government strategy published in March 2009 which outlined some of the ways in which alcohol misuse could be tackled.

The Bill can be found on the Parliament website, at the following web address:

<http://www.scottish.parliament.uk/s3/bills/34-AlcoholEtc/>

The Bill itself is relatively short, with relatively few provisions. Whilst there is a political consensus that Scotland's relationship with alcohol is damaging and needs to be changed; the means of tackling the problem is not agreed upon.

This briefing paper will outline the main proposals of the bill.

Part One

ALCOHOL LICENSING

The key aspects of the Bill are:

Pricing of alcohol

This will establish a minimum retail price per unit of alcohol. This will also impact on multi-buy purchases, whereby the price of multiple purchases has to be at least equivalent to the total price of buying all products separately. This will effectively stop all buy one get one free, or 3 for 2 offers. The briefing paper will consider minimum pricing in more detail below, but one significant omission from this is an indication of what the price will be: the bill has been drafted in a way that leaves this decision to be made by the Scottish Ministers, and therefore can be amended without altering the bill itself.

Drinks promotions

The Bill will extend the provisions of the 2005 Licensing (Scotland) Act, which currently bans promotions in licensed premises such as pubs and clubs, to off-sales premises too.

Age verification policy

This will make age verification policies such as "Challenge 21" or "Think 25" mandatory. Many retailers already operate these on a voluntary basis.

Sale of alcohol to under 21s etc.

Licensing Boards will be required to produce a “detrimental impact statement” which will detail the effect of agreeing to approve an off-sales licence to those under 21 and whether this is having a detrimental effect on one or more of the licensing objectives in the whole or part of the Licensing Board’s area.

PART 2

LICENCE HOLDERS: SOCIAL RESPONSIBILITY LEVY

This aspect of the bill would see charges levied on city centre entertainment venues to cover costs including increased street cleaning and policing costs caused by the adverse impacts associated with these businesses.

Minimum Pricing of Alcohol

Evidence: The University of Sheffield study¹ cited by the Scottish Government applies a modelling technique, first carried out on English and Welsh data, to Scottish survey data taken from the 2003 Scottish Health Survey. The publication does not include specific recommendations on what a minimum price per unit should be; but rather outlines the estimated percentage decrease in alcohol consumption at a range of prices, and the impact of off-trade promotional sales on the overall level of consumption.

Table 1: main findings of the Sheffield University: impact of pricing on consumption, health, crime, and work

Policy scenario Minimum price	Change in consumption (%) (with off-trade discount ban)	Health impact: Hospital admissions- year one (%) (full effect)	Crime outcomes - total crimes (%)	Work outcomes- Days absence (%)	Work outcomes - unemployment (%)
25p	-0.2 (-3.2)	-0.0 (-0.2)	+0.2	-0.2	-0.1
30p	-0.5 (-3.5)	-0.1 (-0.7)	+0.1	-1.3	-0.2
35p	-1.3 (-4.1)	-0.4 (-1.8)	-0.3	-4.7	-0.4
40p	-2.7 (-5.4)	-0.8 (-3.6)	-1.1	-11.6	-0.8
45p	-4.2 (-7.1)	-1.5 (-6.0)	-2.5	-21.7	-1.2
50p	-7.2 (-9.2)	-2.2 (-8.9)	-4.2	-34.6	-1.7
55p	-10.0 (-11.7)	-3.0 (-12.0)	-6.2	-49.9	-2.2
60p	-12.9 (-14.3)	-3.9 (-15.1)	-8.3	-66.1	-2.6
65p	-15.9 (-17.1)	-4.8 (-18.2)	-10.4	-83.5	-3.0
70p	-18.9 (-20.0)	-5.7 (-21.3)	-12.7	-101.0	-3.3

Source: summary of findings of Sheffield University (adaptation of tables 3.7 and 3.8)

40p is the minimum price which is often used as an example, although there has never been any confirmation (but also, no firm denial), of the threshold the government would set.

A study by Queen Margaret University and Royal Edinburgh Hospital researchers, which focused on users accessing alcohol problems services in Edinburgh, concluded that "The lower the price that a patient paid per unit, the more units he/she consumed."² This study found that the average price per unit paid by users accessing alcohol problems services is below the average price per unit paid in Scotland as a whole. That means that people with

¹ "Model-Based Appraisal of Alcohol Minimum Pricing and Off-Licensed Trade Discount Bans in Scotland: A Scottish adaptation of the Sheffield Alcohol Policy version 2", <http://www.scotland.gov.uk/Publications/2009/09/24131201/0>

² Black, Gill and Chick (2009), "Alcohol units consumed and price paid per alcohol unit by patients of the Lothian Alcohol Problems Services, with a comparison to wider alcohol sales in Scotland", SCHAAP

alcohol problems are purchasing cheaper alcohol than the general population. Therefore minimum pricing is likely to have a higher impact on this group than the population as a whole.

Alcohol industry reaction to minimum pricing proposals

The alcohol industry, in particular the Scotch Whisky Association (SWA) are opposing the minimum pricing policy contained in the Alcohol Etc (Scotland) Bill. They suggest that minimum pricing will damage sales at home and internationally. The SWA re-affirm that the industry has an “ongoing commitment to discourage the misuse of alcohol and help tackle Scotland’s problem drinking culture.”³ The SWA claim that the Government will be “penalising the majority in order to discourage the minority that drink excessively.

Projected impacts of minimum pricing policy on retail prices of alcohol

The most significant price increases can be seen in the strong, cheap cider and cheap spirits. This corroborates comments made by Health Secretary Nicola Sturgeon who maintains that this policy is intended to target “[t]hose who are damaging themselves and others by bingeing on dirt-cheap alcohol.”⁴

- Using even a relatively cheap whisky as an indicator, whisky will be relatively unaffected by minimum pricing.
- Switching to wine may be an unintended consequence of minimum pricing if the minimum price is set at a fairly low rate, such as 40p, as much wine is currently priced above this rate per unit anyway.

Party positions on minimum pricing

Conservative: The Conservatives are opposed to a minimum pricing policy; favouring instead better enforcement of current legislation relating to underage drinkers, and exploring tax increases on “problem drinks such as alcopops and strong cider”.⁵ They also are concerned with the adverse effects which they believe minimum pricing may have on the Scottish economy and Scottish jobs, particularly highlighting the “immense damage” which would be inflicted on the Scottish whisky trade; and believe that it is “probably illegal” under EU competition law⁶.

Labour: Labour have come out strongly against the policy, and have also announced a commission to examine the over-consumption of alcohol, chaired by Professor Sally Brown, emeritus professor of education at Stirling University. They have criticised the Government for not having released legal advice received on the question as to whether setting a minimum price is legal within EU competition policy.⁷ The party is also are concerned that

³ [“Scottish Legislative Programme - Scotch Whisky Association Response”](#)

⁴ [Scottish Government news release](#), 28 Sept 2009

⁵ [Scottish Labour must stop dithering and come off the fence on minimum pricing](#), Scottish Conservatives website, 6 Nov 2009

⁶ [No to blanket minimum pricing: Labour backs long-term Conservative calls](#), Scottish Conservatives website, 26 Nov 2009

⁷ Richard Simpson MSP, [“Minimum pricing is not the answer to our booze culture”](#), The Scotsman, 26 November 2009

supermarkets would be the primary beneficiaries of any additional revenue generated as a result of a minimum pricing policy.

Lib Dem: The Lib Dems are opposed to the policy: they criticise it for failing to bring about "fundamental, rather than marginal, cultural change", and also suggest that the policy would be "almost certainly illegal". They point out that the recent Scottish Health Survey identifies professionals (and especially professional women) as problem drinkers⁸; whilst several areas in Scotland which are not classified as having high levels of deprivation still report alcohol-related death rates significantly above the national UK average⁹, suggesting that universal culture change is what the focus should be on, rather than concentrating on one particular demographic: in this case, low income 'problem drinkers'.

Green: Green Co-Convener Patrick Harvie has previously supported the policy, saying: "A minimum price policy isn't a silver bullet, but alongside other sensible changes it could play a very positive part in improving public health."¹⁰

The Church Response

The Salvation Army has had a long history of practical work with those whose lives have been directly affected by excessive drinking; but they also stress that Scotland's alcohol problem is not simply a matter for the individual: "taking an approach to excessive drinking that focusses purely on individual behaviour fails to acknowledge that we live in a society in which the consequences of excessive drinking are shared by us all, and that we have a collective responsibility to address the issue. The social costs of increased health problems which divert NHS resources away from mainstream health care, the increased violence in our towns and cities and damage to family relationships are borne by us all. If an increase in the minimum price of alcohol will reduce the levels of alcohol consumption resulting in a reduction in problems for individuals and our society, then the argument that makes the case that this would penalise the majority in order to discourage the minority is one that denies that we all have a part to play in tackling the issue. This is a choice that we, as a society, could make in order to improve our collective health and wellbeing, and particularly that of the most vulnerable and poor."

The Salvation Army has been a constant supporter of a minimum alcohol pricing strategy for a long period of time, and has recently urged party leaders from all political groupings within the Scottish Parliament to urge them to consider the evidence in support of minimum pricing- and other measures- that will seek to begin to address the endemic problem with alcohol consumption in Scotland.

Next steps

The Bill has been introduced to the Scottish Parliament and will be considered in the Health and Sport Committee, who are seeking views on the provisions of the Bill, with a deadline of Wednesday 20 January 2010. Any individuals or organisations with an interest in this policy area are invited to respond to this consultation: further details can be found on the [Health & Sport Committee bill pages](#) on the Scottish Parliament website, or by contacting SCPO.

⁸ Liberal Democrat [press release](#), 23 Oct 2009

⁹ Robert Brown, [Parliamentary Question S3W-27989](#), 6 November 2009

¹⁰ [Minimum price for alcohol set at 40p](#), Scotland on Sunday, 5 July 2009,