



Tuesday 31 August 2010

ALCOHOL COMMISSION RIGHT TO REJECT MINIMUM PRICING

Today's rejection of minimum pricing by Scottish Labour's Alcohol Commission has been welcomed by the Scotch Whisky Association. The Association said it supported moves towards a UK-wide ban on sales below tax, combined with excise duty reform so that all alcohol was taxed at the same rate, according to alcohol content.

Scotch Whisky drinkers currently pay 250% more duty per unit of alcohol than cider drinkers. The duty on whisky is 37% greater than beer and 30% higher than wine.

By progressively moving to an equitable system where all drinks are taxed at the same rate, the Government could generate more than £1 billion a year extra revenue according to independent analysis commissioned by the Association.

Gavin Hewitt, SWA Chief Executive, said: "Excise duty reform is long overdue. It could bring significant extra revenue for Government. Combined with a ban on sales below tax to set a legal 'floor price' for alcohol, duty reform could also address concerns at low priced drinks on a UK-wide basis."

The Association welcomed the Scottish Labour party's scepticism of a proposal to restrict alcohol sponsorship and advertising, saying such a move would damage local community groups, tourism, and important support for many cultural and sporting events.

A suggestion that alcoholic drinks should not be served at Scottish Government or Parliamentary functions was dismissed by the Association, which said that Scotch Whisky should be showcased as a premium Scottish product at such events.

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