



**EMBARGOED UNTIL 16.00 ON TUESDAY 28 FEBRUARY 2006**

## Chancellor urged to maintain alcohol duty commitment

The Chancellor's commitment to deliver a fairer alcohol duty system should be maintained in the forthcoming Budget, Scotch Whisky distillers urged today as industry representatives met Treasury Ministers.

With a series of spirits duty freezes having promoted fairness and stability within the UK alcoholic drinks market, The Scotch Whisky Association (SWA) called on the Government to freeze spirits duty again in 2006, and take a further step towards delivering a fairer balance in alcohol taxation. The SWA presented its Budget submission today to the Financial Secretary, John Healey MP, at HM Treasury.

Speaking before today's meeting, Richard Burrows, the SWA Chairman, said:

"Scotch Whisky epitomises the internationally competitive, home-grown industry that the Government says it wishes to encourage. With distillers facing rising supply chain and regulatory costs, a freeze in spirits duty and a continuation of the Chancellor's policy of improving alcohol duty fairness would provide valuable support to the industry in 2006.

"A fairer balance in alcohol taxation also underpins ongoing industry investment and innovation to deliver growth at home, and efforts to develop new opportunities in emerging markets such as China and India."

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### Note to Editors:

The UK alcohol duty system continues to discriminate against Scotch Whisky. Excise duty on alcohol served as spirits is 51% higher than that on alcohol served as beer and 31% higher than wine duty.

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The SWA was represented at today's meeting by Richard Burrows (SWA Chairman and Director of Pernod Ricard), Gavin Hewitt (SWA Chief Executive), and Campbell Evans (SWA Director of Government Affairs).

#### Contacts

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