

- 1 In general, the IAS considers that the measures proposed in the Bill to be proportionate and reasonable given the scale of the harmful effects of alcohol use in Scotland.
- 2 We commend the Scottish Parliament's initiative to base its alcohol policy firmly on all the available evidence and the way in which it has commissioned further investigation into the association between pricing policies, consumption across the total population and related harms.
- 3 Given the scale, depth and scientific rigour of the evidence already available to the Committee the IAS will not be submitting new evidence here but would wish to support the methodologies, analysis and conclusions of the work carried out by the Sheffield School of Health & Related Research (SchARR) in their numerous reports to the Scottish and UK parliaments.
- 4 Furthermore, the IAS is mindful of the wider scientific literature at European and Global levels that support the actions proposed by the Scottish Government in this Bill. It is by no means an exaggeration to say that the eyes of the world are on Scotland in this respect and that the development of regional and international alcohol policy will, potentially, benefit enormously from these salient steps taken by the Scottish Government.
- 5 In consideration of the specific points raised in your letter, the IAS supports the introduction of minimum pricing as a means of achieving the public health benefits outlined in the SchARR Reports and also with the conclusions of the Health Committee (England) in their Report published on the 8th January 2010.
- 6 The level should be set at 50p. At this level there is justifiable health and social gain at an acceptable level of increased cost to consumers.
- 7 "All types of problem drinking" will not be addressed solely by the introduction of a minimum pricing structure. The Bill is to be commended for the breadth of action it proposes and for the contribution that it will make towards an effective and integrated national alcohol policy. It is this multi-dimensional approach that will succeed in addressing the needs of all.
- 8 Other measures, including improving the provision of healthcare, the control of marketing and promotion, drink-drive countermeasures etc. serve to reinforce the real attitudinal, behavioural and cultural shift in drinking habits that the Bill seeks to address. Minimum pricing will, however, impact on the availability of cheap alcohol preferred by young people at the outset of their drinking and by heavy drinkers who are at risk of developing dependency and all its associated harms. Removing cheap alcohol from the marketplace is to be welcomed and although there might be a consequential shift by some towards home production the resulting levels of harm are likely to be ncomparable to the levels of harm experienced if cheap alcohol, promoted by powerful national and multinational companies and sophisticated commercial networks, continues to be made available.
- 9 The principle reason that a minimum price is required is to stop supermarkets and other retailers of low-price alcohol from aggressive discounting. Most supermarkets have admitted to the Competition Commission that they use

alcohol as a loss leader. Raising the duty is not an effective method of tackling this irresponsible practice since retailers who are prepared to make a loss on products will either absorb the cost or put pressure on their suppliers to do so. Therefore, tax is not an adequate tool for tackling this problem. An alternative that has been suggested is to ban below-cost selling. Unfortunately, this presents such practical difficulties as to make this infeasible. The cost price of a product, as well as being commercially sensitive, may be obscured by complex financial arrangements between supplier and retailer. A fixed minimum price requires no investigation of retailers' business arrangements. We note that whilst a minimum price would increase profits for retailers, there is no guarantee that this would be passed onto producers. Applying a minimum price to producers would impact principally on the export market, but some consideration might be given to alternative ways of ensuring that profits are shared with producers.

- 10 Price mechanisms such as raising taxation and excise duties are effective and benefit governments. However, it is well known that such measures are unable to guarantee a minimum 'floor' price to alcoholic beverages due to the practice by retailers of absorbing or diverting tax increases on alcohol to a range of other products. The only realistic alternative to minimum pricing is to establish a system of government retail monopoly as in other countries such as Sweden. In regard to possible alternative effective means of addressing the public health issues surrounding levels of alcohol consumption when the evidence points to the need to consider a) introducing far stricter controls on the availability of alcohol – hours and points of sale, b) far greater investment in healthcare and c) banning commercial communication and promotion. These actions require considerable additional investment and legislative changes.
- 11 We consider that the introduction of a social responsibility levy has the advantage of promoting good practice (as a means of avoiding the levy) and of encouraging local accountability and appreciation of local impact.
- 12 Age restrictions are a powerful reinforcer of cultural norms and are an indication of society's desire to protect children and young people from the ill effects of a toxic drug. Empowering licensing boards to raise the legal alcohol purchase age to 21 will mean that boards can be responsive to local situations where higher levels of vigilance and protection are required. As part of an integrated alcohol policy these locally determined measures can prove useful additional measures to complement other, local, crime reduction or health promotion activity.
- 13 In regard to promotional offers, we note that in addition to increased consumption resulting from simple price elasticity, we note that bulk discounts contain within them an incentive for the customer to buy a greater quantity of alcohol than they might otherwise have bought. Any promotion that requires the customer to buy more than a single unit (can, bottle, etc.) to obtain a discount inherently encourages greater consumption than a discount applied to a single unit.
- 14 The objective of protecting public health by reducing the harmful use of alcohol has, rightfully, taken salience over other considerations in the introduction of this Bill. In our opinion, the measures proposed are proportionate, non-discriminatory and will be of great benefit to Scotland.