Finance Committee

Alcohol (Licensing, Public Health and Criminal Justice) (Scotland) Bill

Submission from Scotch Whisky Association

Introduction

1. The Scotch Whisky Association (SWA) is the industry’s representative organisation. Its 57 member companies – Scotch Whisky distillers, blenders, and bottlers – account for over 95% of the industry. We welcome the opportunity to make this submission to the Committee.

2. The context in which this Bill is being brought forward is that of decreasing trends across a broad range of alcohol-related harms, as indicated by official statistics:

   • Alcohol-related death rates have declined 35% from a peak in 2003. Death rates from alcoholic liver disease have declined by 32% since 2006\(^1\).
   • The rates of stays i.e. admissions to hospitals with alcohol-related conditions peaked in 2007/2008 and have since declined by 19%\(^2\).
   • The proportion of men and women aged 16-24 ‘binge drinking’ declined 15% between 2003 and 2013\(^3\).
   • Since 2000 the proportion of 13 year olds drinking once a week or more has decreased from 13% to 2% and for 15 year olds from 30% to 12\%\(^4\).
   • The number of convictions for drink driving has declined 50% since 2002\(^5\).

3. While further improvements are required this confirms that current policy to tackle alcohol misuse is working. We are making progress in changing Scotland’s relationship with alcohol, which is to be welcomed.

4. We are committed to playing our part to reduce alcohol-related harm and promoting a culture where responsible alcohol consumption is the accepted norm and misuse is minimised. The SWA and its members are committed to tackling misuse and promoting the responsible consumption of alcohol through a range of initiatives:

5. **SWA Code of Practice for the Responsible Marketing of Scotch Whisky**: responsible marketing is a key deliverable for the SWA. The Code launched in 2005 and currently in its 3rd edition sets out a comprehensive set of rules to ensure the responsible marketing of Scotch Whisky across all media. The Code is backed by an independent complaints panel and a range of sanctions for those found in breach of the Code. A requirement of the Code is that all advertising must carry a responsible drinking message.

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\(^{2}\) Alcohol-related Hospital Statistics Scotland 2013/14.
\(^{3}\) Scottish Heath Survey 2013
\(^{4}\) Scottish Schools Adolescent Lifestyles and Substance Use Surveys
\(^{5}\) Criminal Proceedings in Scotland
6. **The Scotch Whisky Action Fund**: Launched in December 2013 and managed by Foundation Scotland the Fund aims to support and develop new innovative projects across three themes: young people (Under 18), families and communities suffering as a result of irresponsible or excessive consumption of alcohol. The SWA has committed £500,000 to the Fund. A total of £100,000 will be available each year from 2014 to 2018. In 2014 a total of 8 projects have been supported across Scotland covering all three of the Fund’s themes. **Scottish Government Alcohol Industry Partnership (SGAIP)**: The SWA has been a leading partner of the SGAIP since its launch in 2007. Its primary objective is to deliver joint initiatives to tackle alcohol-related harm and promote responsible drinking. The Partnership has delivered a number of initiatives: national Alcohol Awareness Week, sponsorship guidelines, a model employee alcohol policy, social responsibility standards, a low alcohol pilot and the Fife Alcohol Partnership Project, which looked at a multi-component approach to tackling alcohol-related harm.

7. The Partnership is currently focusing action on the following initiatives: 125ml wine campaign promoting uptake of the 125ml wine measure in the on-trade, which aims to promote and improve public health by giving customers greater choice. Following the successful Best Bar None pilot in Airdrie and Coatbridge, which saw a downward trend across a range of alcohol-related anti-social behaviour statistics, agreement has been reached to expand the scheme across North Lanarkshire. A pilot campaign to run in Motherwell and Wishaw over the summer months will raise awareness of the issue of proxy purchasing to help to reduce underage drinking. Support for Safe Zone Edinburgh which provides non-judgemental advice and first aid support in the city centre at night time to anyone who requires help. Continue to support the roll out of Community Alcohol Partnerships schemes to tackle underage drinking and anti-social behaviour.

8. The Partnership also works as a delivery mechanism for Scottish Government and Drinkaware campaigns to promote responsible consumption and highlight the consequences of misuse.

9. **Consumer Information and Education**: SWA members, under the Responsibility Deal, contributed to the pledge to ensure that 80% of products on shelf include on label unit information, the daily sensible drinking guidelines and a warning about drinking when pregnant. SWA members also support Drinkaware, the primary provider of alcohol information and public education.

**Specific Questions the Committee is seeking responses to**

10. Before responding to the specific questions set out in the call for evidence we wish to highlight to the Committee the sections of the Bill we are supportive of:

- Age discrimination: off-sales (section 3)
- Alcohol education policy statements (section 14)
- Drinking Banning Orders (DBOs) (sections 15-29)
- Fixed penalty offences involving alcohol: alcohol awareness training as alternative to fixed penalty (section 30)
Specific Questions

Consultation

Did you take part in any consultation exercise preceding the Bill and, if so, did you comment on the financial assumptions made?

11. The SWA responded to the consultation ‘Shifting the Culture. A proposed Bill to bring forward measures to help change culture in relation to alcohol in Scotland’ launched in March 2012.

12. That document did not set out any financial assumptions on the proposals being considered and therefore we did not provide any comment.

If applicable, do you believe your comments on the financial assumptions have been accurately reflected in the FM?

13. Refer to the answer to Q1 above.

Did you have sufficient time to contribute to the consultation exercise?

14. Refer to the answer to Q1 above

Costs

If the Bill has any financial implications for your organisation, do you believe that they have been accurately reflected in the FM? If not, please provide details.

Do you consider that the estimated costs and savings set out in the FM are reasonable and accurate?

If applicable, are you content that your organisation can meet any financial costs that it might incur as a result of the Bill? If not, how do you think these costs should be met?

Does the FM accurately reflect the margins of uncertainty associated with the Bill’s estimated costs and with the timescales over which they would be expected to arise?

15. In responding to the above questions under the heading ‘Costs’ our comments relate to the sections of the Bill which set out restrictions on advertising of alcohol (sections 6 – 13), which is dealt with on pages 30-32 of the Financial Memorandum.

16. With regard to the ban on advertising near schools etc., as we have set out in our submission to the Health Committee, we believe this piece of legislation is complex and unclear as to how it will operate. Whilst there may be an adequate
register of school and nurseries, it is unclear if such a register is available for all crèches.

17. If someone was to open a crèche or a new play park was to be built it is unclear who would be responsible for informing licensed premises or media outlet operators who had assets e.g. billboards or bus shelter advertising space, that they come within a restricted area. For example, it is unclear whether this should be a responsibility of licensing boards or local authorities. We are also concerned this measure would impact the advertising of events, such as the Islay and Speyside Whisky Festivals, which are important tourism attractions bringing investment to these communities.

18. Also, if the measure was to be introduced there would be costs for businesses in terms of training and putting procedures in place to ensure compliance. Such measures would not only be required for media operators, but also all operators of licensed premises and producers, such as our members that operate distilleries and other production sites within towns and villages in rural areas and have done for many years. Such sites may have branding associated with product they produce within the site, but visible from the site.

19. These issues do not appear to have been considered and for that reason we do not believe the financial implications of the measure have been fully considered and reflected in the FM in relation to enforcement or compliance.

20. The FM assumes in relation to those that own or manage advertising space that they could simply lease the advertising space to advertise something other than alcohol. We would question how reasonable and accurate that assumption is.

21. In relation to advertising within premises (section 8) of the Bill, we would note that under the Alcohol Etc (Scotland) Act 2010 alcohol promotions, which includes advertising, can only take place within alcohol display areas. We therefore query the purpose of this provision of the Bill.

22. As regards the provision on advertising at sporting and cultural events (section 9), we have highlighted in our submission to the Health Committee that, disappointingly, this measure fails to recognise the current advertising rules, which must be followed by all advertisers, agencies and media owners (enforced by the Advertising Standards Authority). Under these rules marketing communications must not be directed at people under 18 through the selection of media or the context in which they appear. No medium should be used to advertise alcoholic drinks if more than 25% of its audience is under 18 years of age. Neither does it recognise the Portman Group Sponsorship Code, which came into force on 31 January 2014 and includes specific rules to protect those under 18.

23. We note the FM states that ‘The impact of these measures on levels of alcohol sales is therefore expected to be felt only over a longer timescale.’ It is unclear how the impact of these measures on sales would or could be measured.
Wider Issues

Do you believe that the FM reasonably captures any costs associated with the Bill? If not, which other costs might be incurred and by whom?

24. No specific comments to make.

Do you believe that there may be future costs associated with the Bill, for example through subordinate legislation? If so, is it possible to quantify these costs?

25. No specific comments to make.

The Scotch Whisky Association
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