

The Rt Hon Jeremy Hunt MP
Chancellor of the Exchequer,
House of Commons,
London,
SW1A 0AA
Sent: By email

11 November 2022

Dear Chancellor,

Autumn Statement – Alcohol Duty

On 19 October 22, the Chief Executives of the Scotch Whisky Association, British Beer and Pub Association, and the Wine and Spirits Trade Association issued [a joint statement](#) urging you not to raise duty on alcohol.

I am writing to endorse their position on behalf of Scotland Food & Drink, the leadership body for the food and drink industry in Scotland. We work in partnership with businesses, trade bodies and the public sector to responsibly grow the industry's value and reputation. We are proud to have 430 business members, including 300 manufacturers.

Our industry has been one of the fastest growing in the UK over the last ten years, increasing turnover by 50% to £16 billion. A huge part of this success has derived from our distilling and brewing sectors, particularly through international trade, with significant growth in overseas markets. This has in turn provided economic value back to the UK, including many rural and coastal communities.

Despite severe challenges over the past two years, businesses have remained resilient and weathered the storm. Indeed, the demand for Scottish spirits and beer is greater than ever and we remain ambitious to grow. However, the cost of production crisis facing businesses is so severe that a range of interventions is required.

We do not think the time is right to raise duty on alcohol. Just as Small Brewers Relief has rightly given our vibrant small brewers a platform for continued growth for two decades, an ongoing duty freeze for larger brewers and drinks producers will enable continued growth across this vital sector.

As our partners pointed out, a duty rise will be passed onto hard pressed consumers, increasing the price of their favourite drinks at a time when pubs, restaurants and shops are struggling to manage increasing costs and avoid closure.

We understand that you have signalled that you will look again at this issue, which we welcome. Alongside our partners, we call on you to support the industry, protect the jobs we create, back the investment we attract, and stop the proposed increase.

Yours sincerely,

John Davidson

Deputy Chief Executive