

ALCOHOL (MINIMUM PRICING) (SCOTLAND) BILL

EXPLANATORY NOTES

(AND OTHER ACCOMPANYING DOCUMENTS)

CONTENTS

1. As required under Rule 9.3 of the Parliament's Standing Orders, the following documents are published to accompany the Alcohol (Minimum Pricing) (Scotland) Bill introduced in the Scottish Parliament on 31 October 2011:

- Explanatory Notes;
- a Financial Memorandum;
- a Scottish Government Statement on legislative competence; and
- the Presiding Officer's Statement on legislative competence.

A Policy Memorandum is printed separately as SP Bill 4–PM.

EXPLANATORY NOTES

INTRODUCTION

2. These Explanatory Notes have been prepared by the Scottish Government in order to assist the reader of the Bill and to help inform debate on it. They do not form part of the Bill and have not been endorsed by the Parliament.

3. The Notes should be read in conjunction with the Bill. They are not, and are not meant to be, a comprehensive description of the Bill. So where a section or schedule, or a part of a section or schedule, does not seem to require any explanation or comment, none is given.

4. In these Notes “the 2005 Act” means the Licensing (Scotland) Act 2005 (asp 16).

COMMENTS ON SECTIONS

Section 1 – Minimum price of alcohol

5. Section 1(2) inserts new paragraph 6A into schedule 3 to the 2005 Act and introduces a further mandatory condition of premises licences granted under that Act. The condition is that alcohol must not be sold on the premises at a price below its minimum price.

6. Inserted paragraph 6A(2) concerns the application of the condition where alcohol is supplied along with other products or services, for example, where a bottle of beer is packaged with and sold with a branded glass or a bottle of wine is sold with food as part of a “meal deal.” In these circumstances the minimum price would be the minimum price that would apply to the alcohol if sold on its own. That is, the package must be sold at (or above) the minimum price and no account is taken of the elements of the package which are not alcohol.

7. Inserted paragraph 6A(3) sets out the formula by which the minimum price is to be calculated as minimum price per unit (MPU) x strength of the alcohol (S) x volume of the alcohol in litres (V) x 100.

8. By way of example, if the minimum price per unit was set at 45p per unit of alcohol:
- (a) the minimum price for a standard sized (700ml) bottle of spirits at 37.5% ABV would be £11.82 ($0.45 \times 37.5/100 \times 0.7 \times 100 = \text{£}11.82$),
 - (b) the minimum price for a 500ml super-strength can of beer at 9% ABV would be £2.03 ($0.45 \times 9/100 \times 0.5 \times 100 = \text{£}2.03$),
 - (c) the minimum price for a standard size (750ml) bottle of wine at 12.5% ABV would be £4.22 ($0.45 \times 12.5/100 \times 0.75 \times 100 = \text{£}4.22$),
 - (d) the minimum price for a case of 24 440ml cans of beer at 4% ABV would be £19.01 ($0.45 \times 4/100 \times 0.440 \times 24 \times 100 = \text{£}19.01$),
 - (e) the minimum price for a 2 litre bottle of strong cider at 6% ABV would be £5.40 ($0.45 \times 6/100 \times 2 \times 100 = \text{£}5.40$),

These documents relate to the Alcohol (Minimum Pricing) (Scotland) Bill (SP Bill 4) as introduced in the Scottish Parliament on 31 October 2011

- (f) the minimum price for a 25ml measure of spirits at 37.5% ABV would be 43 pence ($0.45 \times 37.5/100 \times 0.025 \times 100 = \text{£}0.43$),
- (g) the minimum price for a 275 ml pre-mixed spirit and mixer at 5% ABV would be 62 pence ($0.45 \times 5/100 \times 0.275 \times 100 = \text{£}0.62$). Note that the addition of a mixer does not affect the minimum price,
- (h) the minimum price for a strong pint (568ml) of lager at 5% ABV would be £1.28 ($0.45 \times 5/100 \times 0.568 \times 100 = \text{£}1.28$).

9. Inserted paragraph 6A(4) means that the Scottish Ministers are to specify the minimum price per unit by order. Section 1(4) amends section 146 of the 2005 Act to provide that any such order is subject to the affirmative procedure¹.

10. Section 1(3) makes identical provision in respect of conditions in occasional licences granted under the 2005 Act.

11. Inserted paragraph 6A(5) and (6) sets out how the strength of alcohol is to be determined when calculating the minimum price of alcohol. “Strength” is defined in section 147(1) of the 2005 Act and is defined by reference to the Alcoholic Liquor Duties Act 1979 (c 4) which states that the alcoholic strength of any liquor is to be determined as a ratio of the volume of alcohol in the liquor to the volume of the liquor and expressed as a percentage. This is referred to as the ABV.

12. Pre-packaged drinks generally have to state on the label the drink’s alcoholic strength by volume. Various labelling regimes make this a requirement. For example, regulation 30 of the Food Labelling Regulations 1996 (SI 1996/1499) requires pre-packaged alcoholic drinks, other than EU controlled wine², that have a strength of more than 1.2% to be marked or labelled with an indication of the drink’s alcoholic strength by volume to no more than one decimal place and expressed as a percentage. This is referred to as the “declared ABV”. Certain positive and negative tolerances are permitted (for example, beers of not more than 5.5% ABV have a tolerance of plus or minus 0.5%) and these are set out in Schedule 5 to the Regulations. These tolerances mean that it is possible for the strength of alcohol to be different to the declared ABV of that product. Where pre-packaged alcohol is required by certain labelling provisions to indicate a declared ABV it is the declared ABV that should be used in calculating the minimum price of the product rather than the actual strength of the product. Inserted paragraph 6A(6) provides that the Scottish Ministers will specify in an order which labelling provisions can be used for this purpose. The order will be subject to negative procedure³.

13. Where different alcohol drinks are mixed, for example in a cocktail, the declared ABV must be used for any alcohol to which relevant labelling provisions apply and the ABV for any other alcohol. The minimum price for each alcoholic component of the drink will need to be calculated and then added together to provide a minimum price for the whole drink. Any non-

¹ This term is defined in section 29 of the Interpretation and Legislative Reform (Scotland) Act 2010 (ILRA). See also paragraph 5 of schedule 3 to the ILRA.

² EU controlled wine is defined as wine, grape must, sparkling wine, aerated sparkling wine, liqueur wine, semi-sparkling wine and aerated semi-sparkling wine, Food Labelling Regulations 1996.

³ Negative procedure is defined in section 28 of ILRA.

alcoholic drink added to the alcoholic products does not require to be included in the calculation as a minimum price does not apply to non-alcoholic drinks.

14. Where pre-mixed alcoholic drinks are sold, for example a gin and tonic, the relevant labelling provisions will apply to these and so they will be marked or labelled with the declared ABV and the declared ABV is to be used in order to determine the minimum price of the drink.

Section 2 – Repeal of section 1 of Alcohol etc. (Scotland) Act 2010

15. Section 1 of the Alcohol etc. (Scotland) Act 2010 (the “Alcohol Act”) has no practical effect as it makes provision for the expiry of amendments made by a section that is not contained in the Act. Section 2, therefore, repeals section 1 of the Alcohol Act.

FINANCIAL MEMORANDUM

INTRODUCTION

16. This document relates to the Alcohol (Minimum Pricing) (Scotland) Bill introduced in the Scottish Parliament on 31 October 2011. It has been prepared by the Scottish Government to satisfy Rule 9.3.2 of the Parliament’s Standing Orders. It does not form part of the Bill and has not been endorsed by the Parliament.

17. The Alcohol (Minimum Pricing) (Scotland) Bill contains a provision to introduce a minimum price of alcohol in order to reduce alcohol consumption, in particular to reduce the consumption of alcohol by harmful drinkers and hence reduce alcohol related harm. The World Health Organisation (WHO) has stated that alcohol policies and interventions targeted at vulnerable populations can prevent alcohol-related harm, but that policies which address the population as a whole can have a protective effect on vulnerable populations whilst also reducing the overall level of alcohol problems⁴. Thus both population-based strategies and interventions and those targeting particular groups, such as harmful drinkers, are required. We consider minimum pricing just such an approach as while it applies equally across the population, we know cheaper alcohol relative to its strength tends to be bought more by harmful drinkers⁵ and so, in this sense, it is also a targeted approach.

18. Section 1 of the Bill will introduce a requirement to set a minimum price of alcohol which is considered to carry a significant financial impact. Section 2 of the Bill is a technical provision and will result in no financial impact so is not covered in this Financial Memorandum.

⁴ WHO (2010) Global strategy to reduce the harmful use of alcohol.

⁵ Booth et al (2008) *Independent Review of the Effects of Alcohol Pricing and Promotion, Part A: Systematic Reviews*, University of Sheffield and *Model-Based Appraisal of Alcohol Minimum Pricing and Off-Licensed Trade Discount Bans in Scotland using the Sheffield Alcohol Policy Model (v2): An Update Based on Newly Available Data* <http://www.scotland.gov.uk/Publications/2010/04/20091852/0>

The Scottish Government will publish a Business and Regulatory Impact Assessment and Competition Assessment for section 1 of the Bill separately.

19. For the purposes of this Financial Memorandum, all figures given assume a commencement of provisions in 2012 at the earliest.

20. A table providing an overall summary of the financial impact of the Bill is included at paragraph 72 of this Financial Memorandum.

Background

21. The Scottish Government issued a consultation *Changing Scotland's relationship with alcohol: a discussion paper on our strategic approach*⁶ in June 2008 which set out the scale of the alcohol misuse problem in Scotland, and the Scottish Government's approach to tackling it, drawing on the best available international evidence. Responses to this consultation, and an analysis of these responses, are available on the Scottish Government's website^{7 8}.

22. The Scottish Government published *Changing Scotland's relationship with alcohol: A Framework for Action*⁹ on 2 March 2009 after considering the consultation responses, and this identifies that sustained action is required in four areas, one of which is reduced alcohol consumption. The Bill focuses on this area.

23. Alcohol is not an ordinary commodity – it is a psychoactive and potentially toxic and addictive substance and is a contributory factor in fifty different causes of illness and death ranging from stomach cancer and strokes to assaults and road deaths¹⁰. Alcohol-related hospital discharges have more than quadrupled since the early 1980s while mortality has doubled¹¹. The harms are not just limited to health and not just experienced solely by the drinker – damage can occur to family and friends, communities, employers, and Scotland as a whole. Alcohol misuse acts as a brake on Scotland's social and economic growth, costing an estimated £3.56 billion each year¹² (using the study's mid-point estimate). For the mid-point estimate, this includes £866 million in lost productivity, a cost of £269 million to the NHS and £727 million in crime costs.

⁶ *Changing Scotland's relationship with alcohol: a discussion paper on our strategic approach*, Scottish Government, 2009 <http://www.scotland.gov.uk/Publications/2008/06/16084348/0>

⁷ <http://www.scotland.gov.uk/Publications/2008/11/26115423/Contents>

⁸ *Analysis of Responses to the Consultation on the Scottish Government's Strategic Approach to Changing Scotland's relationship with Alcohol*, Scottish Government, 2009 <http://www.scotland.gov.uk/Publications/2009/02/24154414/0>

⁹ *Changing Scotland's Relationship with Alcohol: A Framework for Action*, Scottish Government, 2009 <http://www.scotland.gov.uk/Publications/2009/03/04144703/0>

¹⁰ *Alcohol attributable mortality and morbidity: alcohol population attributable fractions for Scotland*, Grant, Springbett and Graham, ISD 2009 <http://www.scotpho.org.uk/alcoholPAFreport>

¹¹ Beeston C, Robinson M, Craig N, and Graham L. *Monitoring and Evaluating Scotland's Alcohol Strategy. Setting the Scene: Theory of change and baseline picture*. Edinburgh: NHS Health Scotland; 2011

¹² *The Societal Cost of Alcohol Misuse in Scotland for 2007*, Scottish Government, 2010 <http://www.scotland.gov.uk/Publications/2009/12/29122804/0>

24. Alcohol misuse is no longer a marginal problem, with industry sales data showing that enough alcohol was sold in Scotland in every year since at least 2000 to enable all adults (aged over 16) to exceed the sensible male weekly guideline of 21 units on each and every week¹³. In 2010, average per capita sales in Scotland equated to 22.8 units per person per week representing an 11% increase since 1994. Scottish per capita alcohol sales are now almost a quarter (23%) higher than in England and Wales¹⁴. Worryingly, significant numbers of children are also regularly drinking alcohol. In 2008 31% of 15 year old boys and girls drank alcohol in the previous week. The consequences of young people's excessive drinking are significant, with nearly a quarter (23%) of those 15 years olds who have drunk alcohol reporting getting into trouble with the police and almost a fifth (18%) having tried drugs as a consequence of drinking alcohol¹⁵.

25. International research has shown that the average consumption of alcohol in a population is directly linked to the amount of harm¹⁶ – the more we drink, the greater the risk of harm^{17 18}. As overall consumption has increased in Scotland over recent decades so have the resultant harms.

26. The School of Health and Related Research (ScHARR) at the University of Sheffield undertook a systematic review of the evidence available and found strong and consistent evidence to suggest that price increases have a significant effect in reducing demand for alcohol. The effects of price changes on alcohol consumption were found to be of a substantially larger size than other alcohol policy interventions. Following this review, ScHARR undertook economic modelling of the potential impact of pricing and promotion policies for alcohol in England. The results were published in December 2008 in an *Independent Review of the Effects of Alcohol Pricing and Promotion*¹⁹. The work was commissioned by the previous UK Government and was based on information relating to alcohol consumption in England. The modelling demonstrated that increases in the price of alcohol would reduce hazardous and harmful alcohol consumption, alcohol dependence, the harm done by alcohol, and the harm done by alcohol to others in addition to the drinker. Because the harmful consequences of drinking are not confined to the heaviest drinkers, a reduction in overall consumption can be expected to have a positive effect on the whole population as well as reducing harm in high risk groups. As minimum pricing targets price increases at alcohol that is priced cheaply relative to its strength, and cheaper alcohol tends to be bought more by harmful drinkers than moderate drinkers²⁰, a

¹³ Robinson M, Craig N, McCartney G, Beeston C. *Monitoring and Evaluating Scotland's Alcohol Strategy: An update of alcohol sales and price band analyses*. Edinburgh, NHS Health Scotland, 2011

¹⁴ *Ibid*

¹⁵ *Scottish Schools Lifestyle and Substance Use Survey 2008*: National Report, Information Services Division, National Health Service, June 2009, <http://www.isdscotland.org/isd/5955.html>

¹⁶ Liefman, Österberg & Ramstedt (2002) *European Comparative Alcohol Study: Alcohol in Postwar Europe*, European Commission

¹⁷ Babor et al (2003) *Alcohol: No Ordinary Commodity*. Oxford. Oxford University Press

¹⁸ Anderson, P & Baumberg B (2006) *Alcohol in Europe*, IAS

¹⁹ Booth et al (2008) *Independent Review of the Effects of Alcohol Pricing and Promotion, Part A: Systematic Reviews*, University of Sheffield

http://www.dh.gov.uk/en/PublicHealth/HealthImprovement/Alcoholmisuse/DH_4001740.

²⁰ Booth et al (2008) *Independent Review of the Effects of Alcohol Pricing and Promotion, Part A: Systematic Reviews*, University of Sheffield

http://www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/documents/digitalasset/dh_091366.pdf

minimum pricing policy targets the drinkers causing most harm to themselves and society. In addition, studies show that cheaper alcohol is also attractive to young people.²¹

27. Following the publication of the ScHARR appraisal, the Scottish Government commissioned ScHARR to undertake analysis using Scottish data, as far as possible, in order to model the potential effect of the introduction of minimum pricing of alcohol (based on volume, strength and a minimum price per unit) (hereafter referred to as “minimum pricing”). The report, *Model-Based Appraisal of Alcohol Minimum Pricing and Off-Licensed Trade Discount Bans in Scotland*, was published on 28 September 2009²². This was then updated, as new data became available, in the report *Model-Based Appraisal of Alcohol Minimum Pricing and Off-Licensed Trade Discount Bans in Scotland using the Sheffield Alcohol Policy Model (v2): An Update Based on Newly Available Data* which was published on 22 April 2010²³. The Bill contains a power for the Scottish Ministers to specify by order a minimum price per unit.

SECTION 1 (MINIMUM PRICE OF ALCOHOL)

28. The ScHARR work²⁴ modelled 21 separate scenarios, including minimum pricing on its own and minimum pricing together with an off-trade discount ban. The results for 10 of these scenarios show the estimated impact of minimum price thresholds alone on alcohol consumption and health, crime and employment related harms. The Scottish Government’s policy intention is to introduce minimum pricing (section 1) and minimum prices per unit from 25p to 70p were modelled. The modelling was subject to sensitivity analyses and details of these is set out in paragraphs 67 to 71 of this document. The model results presented in table 1 show that increasing levels of minimum pricing show steep increases in effectiveness:

Table 1: impact of minimum price on consumption	
Minimum price per unit	Change in consumption (%)
25p	-0.1
30p	-0.3
35p	-1.0
40p	-2.3
45p	-4.3
50p	-6.7
55p	-9.5
60p	-12.3
65p	-15.3
70p	-18.4

29. The results of the modelling show that as the minimum price threshold increases:

²¹ Op. cit., Booth et al (2008)

²² Meier et al. (2009) *Model-Based Appraisal of Alcohol Minimum Pricing and Off-Licensed Trade Discount Bans in Scotland. A Scottish adaptation of the Sheffield Alcohol Policy Model version 2* <http://www.scotland.gov.uk/Publications/2009/09/24131201/0>

²³ Meier et al. (2010) *Model-Based Appraisal of Alcohol Minimum Pricing and Off-Licensed Trade Discount Bans in Scotland using the Sheffield Alcohol Policy Model (v2): An Update Based on Newly Available Data*, University of Sheffield <http://www.scotland.gov.uk/Publications/2010/04/20091852/0>

²⁴ Op. cit., ScHARR report 2010

- more deaths are avoided;
- hospital admissions fall;
- number of crimes reduces;
- absenteeism from work reduces;
- unemployment due to alcohol problems reduces;
- the financial value of harm reductions increases;
- healthcare costs reduce;
- crime costs reduce;
- revenue for alcohol industry increases;
- VAT and alcohol duty receipts mainly reduce.

30. As mentioned previously, the SchARR results show that minimum pricing will impact most on products priced cheaply relative to their strength. As the SchARR modelling demonstrates, cheap alcohol (i.e. relatively low price per unit of alcohol) is mostly drunk by harmful and hazardous drinkers.

31. Of the 21 scenarios the SchARR work modelled, 10 were of minimum pricing combined with an off-trade discount ban. The Alcohol Act, which came into force on 1 October 2011, introduced an off-trade quantity discount ban. The off-trade discount ban modelling was carried out on the basis that all price-based promotions in the off-trade are banned i.e. quantity discounts (such as “3 for 2”, “12 for the price of 10”, “3 bottles for £10”) and price reductions (such as “was £10, now £5”). The Alcohol Act bans quantity discounts in the off-trade so, in this respect, the SchARR modelling goes further. Data on the prevalence and magnitude of short-term discounts on alcohol in the major multiple retailers were purchased from Nielsen²⁵. However no data is available on the magnitude of purchasing that may be required to qualify for the discount, for example, “3 for 2” in effect is a 33% discount for bulk buying. This means that straight discounting from list price cannot be differentiated from quantity-based promotions. In the absence of being able to ascertain the proportion of quantity discounts to price reductions, the model was run incorporating both. The model results show that a total ban on off-trade price-based promotions is estimated to reduce overall consumption by 3.1%. The effect on consumption of the quantity discount ban in the Alcohol Act is likely to be less than 3.1%. Given it is not possible to differentiate between the magnitude of the price-based promotions, it is not possible to quantify how much less. At lower minimum prices per unit, the combined effect of a minimum price and a discount ban is close to the individual effects of the two policies. At higher minimum prices per unit, the marginal increased effectiveness of a discount ban is reduced, as table 2 shows:

²⁵ Nielsen Grocery Multiples data for E&W © Nielson 2008

Table 2: impact of minimum price and off-trade discount ban on consumption	
Minimum price per unit	Change in consumption (%)
25p	-3.2
30p	-3.4
35p	-4.0
40p	-5.1
45p	-6.7
50p	-8.7
55p	-11.2
60p	-13.7
65p	-16.5
70p	-19.5

32. It is worth noting that the Scottish Government's preferred policy for the Alcohol Act was to introduce a quantity discount ban combined with a minimum price per unit. The effect of this would have been to ban quantity discounts whilst also creating a floor price for individual alcohol products that retailers would not have been able to go below. This would have prevented retailers carrying out the deep discounting of some individual alcohol products. It is not possible to quantify the extent of this deep discounting.

Costs on the Scottish Administration

33. Research to inform the potential impact of setting a minimum price per unit was undertaken by SchARR at a cost of £56,000 for the initial report and £31,000 for the updated report (excluding VAT). These costs are not costs associated with this Bill but with the Alcohol Act. In June 2008, the Scottish Government established a Monitoring and Evaluation Reference Group for Alcohol (MERGA) to oversee the development of a portfolio of monitoring and evaluation studies to measure the extent to which the actions set out in the Framework for Action and other alcohol interventions are effective in delivering the intended outcomes. As the portfolio moved from planning to delivery, MERGA was replaced by the Monitoring and Evaluating Scotland's Alcohol Strategy (MESAS) workstream led by NHS Health Scotland. NHS Health Scotland's role is to commission, manage and deliver the portfolio of studies, with the Scottish Government's Alcohol Evidence Group (which comprises a range of key stakeholders) providing strategic direction, advice and governance. NHS Health Scotland is responsible for overall project delivery and reporting. The policy proposal in the Bill will form part of the measures that are to become routinely monitored. It is, therefore, not considered appropriate to apportion a specific cost to any one measure.

34. There will be initial set up costs for the Scottish Government in introducing a minimum price per unit of alcohol in order to provide business advice to licence holders about the necessity to comply with the provision. The costs of these are estimated to be in the region of £90,000 and will be met from within existing public health programme budgets.

35. There will be costs associated with setting and varying the minimum price per unit. A decision has not been taken on the preferred method for revising the minimum price per unit and

how often this would be carried out. A revision methodology will be considered when a specific minimum price per unit is being considered.

Costs on local authorities

36. The position of Licensing Standards Officers (LSOs) was created through the Licensing (Scotland) Act 2005. LSOs work on behalf of local authorities and are responsible for the monitoring and enforcement of the new licensing regime which became fully operational from 1 September 2009. LSOs ensure compliance with any conditions attached to premises licences. The Licensing (Scotland) Act 2005 and associated secondary legislation sets out a number of conditions that are attached to a premises licence including such conditions covering an operating plan, premises manager, staff training, pricing and promotion of alcohol, payment of fees, display of notices, and alcohol display areas. Minimum pricing would be added to this number. The Scottish Government considers business advice to licence holders will be required on the introduction of a minimum price per unit, and has agreed to fund this initial set up cost in order to assist LSOs and avoid costs falling on local government. It is considered there would be an increase in demand for advice to licence holders from LSOs in the run up to introduction and in the period immediately after introduction which would cause a reprioritisation of duties and resources. In the longer term, as licence holders and LSOs become more familiar with the minimum pricing provision, the workload associated with introduction should decrease. The cost of running the licensing system, including the costs of LSOs, are generally recovered by Licensing Boards from fee income in line with The Licensing (Fees) (Scotland) Regulations 2007 (SSI 2007 No. 553). If the costs of implementing minimum pricing were found to increase the workload of LSOs significantly, a review of the level of fee income would be appropriate.

Costs on other bodies, individuals and businesses

Individuals

37. On the introduction of a minimum price, those consumers affected will be those that previously purchased products that were priced below the minimum set. Consumer behaviour will respond to price changes. Consumers may continue to spend the same amount as they did before and so purchase less alcohol; or purchase the same products in less quantity but increase their spending; or switch to other products. This will depend on how responsive they are to changes in actual and relative prices. The SchARR modelling separated drinkers into the categories moderate, hazardous and harmful²⁶. The results show that whilst the introduction of a minimum price for a unit of alcohol may lead to a decrease in consumption, it would result in an increase in consumers' spending, particularly for hazardous and harmful drinkers. The model takes into account switching behaviour through incorporating elasticities which provide information on the responsiveness of the population to price changes. Table 3 shows the estimated effect on consumers' spending for each of these groups and for each of the minimum pricing scenarios modelled.

²⁶ Moderate drinkers are classed as those drinking within recommended weekly guidelines (under 21 units for men / under 14 units for women). Hazardous drinkers: men drinking 21-50 units per week; women 14-35 units. Harmful drinkers: men drinking in excess of 50 units per week; women in excess of 35 units.

Table 3: minimum price: impact on consumption and spending						
Minimum Price per unit	Moderate drinkers		Hazardous drinkers		Harmful drinkers	
	Change in mean annual consumption per drinker – all beverages (%)	Change in spend per drinker per annum (£)	Change in mean annual consumption per drinker – all beverages (%)	Change in spend per drinker per annum (£)	Change in mean annual consumption per drinker – all beverages (%)	Change in spend per drinker per annum (£)
25p	+0.0	+1	+0.0	+5	-0.4	+12
30p	-0.0	+2	-0.0	+11	-1.1	+27
35p	-0.3	+3	-0.4	+22	-2.5	+53
40p	-0.9	+5	-1.4	+37	-4.8	+85
45p	-2.0	+8	-3.2	+54	-7.9	+116
50p	-3.3	+12	-5.6	+70	-11.4	+138
55p	-5.0	+15	-8.4	+84	-15.3	+151
60p	-6.8	+18	-11.3	+96	-18.9	+162
65p	-8.8	+21	-14.4	+105	-22.8	+161
70p	-10.9	+24	-17.6	+109	-26.7	+149

38. The greatest impact of minimum pricing, both in terms of reduced consumption and increased spend, is estimated to be on those who currently drink the most. It is estimated that hazardous and harmful drinkers will reduce their consumption most, though still increasing their spend. The effect on moderate drinkers is marginal as they drink less and also tend not to drink cheaply priced alcohol. Taking a 45p minimum price per unit as an example, consumption changes are estimated to be greatest for harmful drinkers (-5.7 units per week, representing a decrease of 7.9%), whilst the model suggests that moderate drinkers are affected in a small way (approximately -0.1 units per week, representing a decrease of 2.0%).

39. Minimum pricing is estimated to lead to reductions in health, crime and employment harms. The higher the minimum price per unit, the greater the estimated reduction in alcohol-related harms. The greatest health benefits accrued from minimum pricing are seen amongst hazardous and harmful drinkers.

40. The following paragraphs and table 4 use a 45p minimum price per unit as an illustrative example²⁷. Similar information for other prices modelled from 25p to 70p per unit is provided in the SchARR report.

41. On health benefits, deaths are estimated to reduce by around 50 within the first year of implementation and a full effect after 10 years of around 225 per annum. For the 10 year effect, deaths are differentially distributed across the groups with around 14 amongst moderate drinkers,

²⁷ Any differences in figures in paragraphs or tables when figures are added together are due to roundings within the results from the modelling.

around 107 amongst hazardous drinkers and around 105 amongst harmful drinkers. Illness also decreases with an estimated reduction of around 1,000 chronic and acute illnesses within the first year. For the full 10 year effect, illnesses are expected to reduce by around 2,600 per annum differentially distributed across the groups with around 500 amongst moderate drinkers, around 1,000 amongst hazardous drinkers, and around 1,000 amongst harmful drinkers. Hospital admissions are estimated to reduce by around 1,200 in the first year, and a full effect in year 10 of around 4,200 differentially distributed across the groups with around 600 amongst moderate drinkers, around 1,600 amongst hazardous drinkers, and around 2,000 amongst harmful drinkers. Healthcare service costs are estimated to reduce by around £6m in the first year, with a Quality Adjusted Life Years (QALY²⁸) gain valued at around £14m. For the full 10 year effect, the healthcare service costs are estimated to reduce by around £83m, with a QALY gain valued at around £369m.

42. Overall, crime volumes are estimated to fall by around 2,600 offences per annum. The distribution of the effect varies across the groups with reductions of around 100 offences from moderate drinkers, around 700 offences from hazardous drinkers and around 1,600 offences from harmful drinkers. The harm avoided in terms of victim quality of life is valued at around £1m in the first year and around £13m over 10 years²⁹. Direct costs of crime are estimated to reduce by around £2m in the first year, and by around £18m over 10 years.

43. Workplace harms are estimated to reduce by around 1,200 fewer unemployed people and around 22,900 fewer sick days per year. The estimated reduction in unemployment comes from the harmful drinking group. The sick days are differentially distributed across the groups with around 5,200 amongst moderate drinkers, around 7,000 amongst hazardous drinkers and around 10,300 amongst harmful drinkers. For the first year, the costs of sick days are estimated to be around £2m and the cost of unemployment around £26m. The costs of sick days and unemployment is estimated at around £237m over 10 years.

44. The estimated societal value of these harms in the first year is estimated at around £52m made up as follows: NHS cost reductions (£6m), value of QALYs saved (£14m), crime costs saved (£2m), value of crime QALYs saved (£1m) and employment related harms avoided (£28m). The societal value of these harm reductions over the 10 year period is estimated at £721m and is distributed across the different groups as follows: £417m for harmful (59%), £189m for hazardous (26%) and £110m for moderate (15%).

²⁸ A quality adjusted life year is a measure of health outcome which combines quantity of life with quality: where 0 = death and 1 = 1 year in full health. Measured in this way a QALY of 0.5, for example, could be 6 months at full health or 1 year in a health state valued at 0.5.

²⁹ Direct physical and emotional impacts on victims of crime are valued at £81,000 per QALY, Dubourg et al (2005)

		Scotland	Moderate	Hazardous	Harmful
Year 1	Health costs	6	2	2	2
	Crime costs	2	0	1	1
	Employment costs	28	0	1	27
	Total direct costs	36	2	4	30
	Health QALYs	14	4	5	5
	Crime QALYs	1	0	0	1
	Total societal value	51	6	9	36
Cumulative 10 years	Health costs	83	18	32	32
	Crime costs	18	0	5	12
	Employment costs	237	4	5	228
	Total direct costs	338	23	42	272
	Health QALYs	369	86	144	137
	Crime QALYs	13	0	3	8
	Total societal value	721	110	189	417

45. The effect of a 45p minimum price per unit is estimated to increase overall spend by consumers by around £96m per annum, as shown in table 5, with harmful drinkers spending around £28m more per annum, hazardous drinkers spending around £45m more per annum and moderate drinkers spending around £21m more per annum. This represents £116 for harmful drinkers, £54 for hazardous drinkers and £8 for moderate drinkers (an average of £25 per drinker per annum for all drinkers). This represents an increased spend of approximately 4.1% overall – split by 4.6%, 4.9% and 2.8% for harmful, hazardous and moderate drinkers respectively. This additional spend needs to be balanced against the benefit of reduced harms.

		Scotland	Moderate	Hazardous	Harmful
Total change in value of sales for population	Off-trade per annum	48	11	21	15
	On-trade per annum	48	10	24	13
	Total per annum	96	21	45	28

46. Table 6 summarises the estimated effects on individuals for each of the minimum price scenarios modelled. This illustrates the estimated financial effect on costs to the consumer per annum and the estimated financial value of harm reductions in health, crime and employment in the first year and over 10 years.

Table 6: Summary of financial valuation on health, crime and employment alcohol related harms: minimum price

Minimum price per unit	Costs to individuals per annum £m	Health (including QALYs) £m		Crime (including QALYs) £m		Employment £m	
		Year 1	Over 10 years	Year 1	Over 10 years	Year 1	Over 10 years
25p	9	+1	+15	0	0	2	14
30p	20	0	10	0	2	4	33
35p	39	4	91	1	7	9	75
40p	66	10	236	2	17	17	145
45p	96	20	452	4	31	28	237
50p	123	32	715	6	50	41	338
55p	148	46	1019	8	71	53	442
60p	169	60	1331	11	92	64	533
65p	184	75	1648	13	115	75	623
70p	191	90	1965	16	138	85	710

Businesses

47. All minimum price scenarios modelled result in estimated increased revenue to the alcohol industry (excluding VAT and duty). The increases can be seen in both the off and on-trade sectors. Higher minimum prices lead to greater additional revenues. The estimates are high-level estimates of revenue changes to the alcohol industry as a whole. It was beyond the remit of the modelling to consider where the change in revenue may accrue i.e. whether the estimated increases benefit retailers, wholesalers or producers, or all of them to some extent.

48. A minimum pricing policy is likely to affect the off-trade sector more than the on-trade sector due to cheaper alcohol being sold in the off-trade sector. The average price of a unit of alcohol in the on-trade for 2010 is £1.34³⁰ whilst for the off-trade the corresponding figure is £0.45. Increases in revenue might be expected to only apply to the off-trade, however, the on-trade sector is also estimated to see increases in revenues due to switching effects. As the differential between prices in the off-trade and on-trade reduces, some drinkers may switch from purchasing in the off-trade to purchasing in the on-trade.

49. Table 7 shows the estimated effects of minimum pricing scenarios on the revenues for the on and off-trade sectors per annum:

³⁰ Robinson, Craig, McCartney & Beeston (2011) op cit

Table 7: Effect on revenue for alcohol industry (excluding VAT and duty)			
Minimum price per unit	Off-trade sector per annum (£m)	On-trade sector per annum (£m)	Total per annum (£m)
25p	+5	+3	+8
30p	+11	+8	+19
35p	+24	+15	+39
40p	+43	+25	+68
45p	+67	+37	+104
50p	+91	+49	+140
55p	+112	+63	+175
60p	+130	+77	+207
65p	+143	+92	+235
70p	+148	+109	+257

50. There is estimated to be an increase of between £8m and £257m per annum in revenue for the alcohol industry taking the range of minimum prices per unit from 25p to 70p. The actual effect will depend on the specific minimum price per unit set. The greatest estimated total increase in revenue at a minimum price per unit of 70p (£257m) represents 7% of the estimated value of total alcohol sales for both the on and off-trade sectors (£3,810m³¹) in Scotland in 2010.

51. There will be costs to retailers associated with the implementation of a minimum pricing scheme such as re-pricing products, altering bar codes and shelf tickets. The costs to retailers that operate only in Scotland, will form part of their usual operational practice when altering prices. Those retailers that operate on a UK-wide basis may incur costs associated with a different pricing and promotion regime operating in Scotland. These retailers are predominantly large supermarket chains. There is likely to be a lead in time prior to introduction. That, coupled with the resources available to them, should allow retailers to investigate the most cost effective method of implementing differential pricing across stores in different parts of the UK. There is also the possibility that any additional cost may be offset against the estimated increased revenue from alcohol sales. An alternative approach for those that operate on a UK-wide basis would be to use the Scottish pricing regime across the whole of the UK thus minimising the cost of operating different pricing structures.

52. During the passage of the Alcohol etc. (Scotland) Bill, a series of questions in relation to introducing minimum pricing were posed to groups representing the majority of retailers and producers of alcohol in Scotland: Scottish Grocers Federation (SGF), Wine and Spirits Trade Association (WSTA), Scottish Retail Consortium (SRC) and the Scotch Whisky Association (SWA). The SGF is the trade association for the Scottish convenience store sector, representing most of the Scottish Co-ops, Somerfield, SPAR and local independent retailers. The WSTA represents businesses which work across the entirety of the supply chain in wines and spirits in Scotland and the UK. Their membership includes producers, importers, wholesalers, brand owners and off-licence retailers including supermarkets and specialist stores. The SRC is a retail

³¹Calculated from : *Alcohol Sales Data Scotland and England & Wales 1994 – 2010*; <http://www.healthscotland.com/documents/5435.aspx>

trade association and includes major high street retailers and supermarkets to trade associations representing smaller retailers. The SWA is the trade association for the Scotch Whisky industry, and its members account for more than 95% of production and sales of Scotch Whisky.

53. The questions were designed to gauge the likely impact of a minimum price per unit set at a low, medium and high level so prices of 25p, 50p and 70p were used as examples. SGF members estimated that a minimum price per unit of 50p would result in a reduction in sales of 10% and a 70p minimum price per unit would have an estimated reduction in sales of 25%. SWA estimated that a minimum price per unit of 50p would result in a reduction of Scotch whisky sales in Scotland by 23%. As a result of this impact, SWA estimated whisky sales in the Scottish off-trade would be reduced by at least £30m a year. On the question of what the administrative costs of introducing minimum pricing might be, SGF did not provide a figure for this but their view is that a check of all prices would require to be carried out between knowledge of minimum price level and the date of implementation. Additional costs would not be significant for stores with head office support, however for independent / unattached retailers this may be equivalent to one member of staff for several days. If it is assumed that one shopfloor worker earning £6.08 per hour (national minimum wage for those aged 21 and over) is employed for 16 hours, this would cost the employer approximately £117 per worker (including on costs). It is unclear how many retailers would be affected in this way. In 2007 there were 3,224 off-sale liquor licences in force in shops in Scotland³². If this cost was applied to all, then the total incurred would be around £377,000.

54. The modelling estimates that there will be an increase in the value of sales but a decrease in the volume overall. There are various factors that need to be taken into account with the introduction of a minimum price such as the type of alcohol, whether on or off-trade, the specific minimum price per unit set and the volume of alcohol that will be directly affected by a specific minimum price. The producers most affected will be those that deal exclusively or mainly with alcohol that will be affected with the introduction of a minimum price. During the passage of the Alcohol etc. (Scotland) Bill in 2010, two companies were identified as being in this market: Whyte & Mackay and Glen Catrine. Whyte & Mackay estimated that for a minimum price per unit of 50p there were likely to be immediate job losses of 83³³, but that job losses would be unlikely if the minimum price per unit was 40p. Whyte & Mackay also said that they see the future of the company being driven by the 'premiumisation' of their brands – moving away from competing mainly on price, in accordance with the view that Scotch Whisky is a premium product and should be marketed as such. Glen Catrine did not provide any information.

55. Dialogue with the industry has continued and, more recently, similar questions have been asked of members of the Scottish Government Alcohol Industry Partnership, which include SGF, SWA, SRC, WSTA and Whyte & Mackay, in order to obtain an update on the position and responses will be included within the Business and Regulatory Impact Assessment which will accompany the Bill.

56. There may be a loss of trade due to an element of cross-border alcohol tourism and increased internet sales in order to take advantage of those areas in the UK that do not have

³² Statistical Bulletin Crime and Justice Series: Scottish Liquor Licensing Statistics, 2007 <http://www.scotland.gov.uk/Publications/2008/08/11160147/12>

³³ John Beard, CE, Whyte & Mackay in oral evidence at Health and Sport Committee on 17 March 2010

minimum pricing in place. The WSTA cite the example of higher sales of alcohol in Northern Ireland due to the increase in the numbers of people travelling from the Republic of Ireland to Northern Ireland to take advantage of cheaper alcohol deals. This issue of cross-border shopping has been addressed in a recent report conducted by the Office of the Revenue Commissioners and the Central Statistics Office for the Irish Department of Finance³⁴. The report notes that the main causes of price differentials between goods in Northern Ireland and the Republic of Ireland are operating costs, profit margin, taxes and, in particular, the rapid depreciation of Sterling against the Euro (depreciation of around 30% between January and December 2008). These are specific circumstances where it is not just alcohol that is cheaper – people are travelling to do their whole grocery shopping. In the Scottish situation minimum pricing will only raise the price of products priced cheaply relative to their strength. The majority of the population in Scotland live a considerable distance from the English border, so although there may be an element of cross border activity, for most people, purchasing in England would incur both a time and travel cost (e.g. petrol and depreciation). This is likely to outweigh any savings on the price of alcohol. For example, a round trip from Glasgow to Carlisle involves a journey of just under 200 miles. Assuming an average of 40 miles per gallon, and a fuel cost per gallon of around £6.16, (equivalent to 135.6p per litre³⁵) the journey would cost around £30 in petrol/diesel alone and take a minimum of 3-4 hours. Additional running costs at the rate of 40p per mile³⁶ adds £80. The level of any minimum price would determine any potential savings. Assuming that the purchased alcohol costs an average of 35p per unit and assuming a minimum price per unit of 45p, then the consumer would need to buy 300 units of alcohol (or over 30 bottles of wine) simply to break even on the cost of the fuel. To cover the running cost as well would require the purchase of around 110 bottles of wine or over 40 bottles of spirits. If the differential were less then greater quantities of alcohol would need to be bought to make it financially beneficial.

57. Similarly for internet sales, we consider the vast majority of consumers will not be affected as they are unlikely to purchase the type of alcohol that will be affected by a minimum pricing policy through the internet.

58. The Scottish Government is not aware that illegal sales of alcohol are a significant problem. In order to make an assessment of the level of unpaid duty, HMRC makes an estimate, annually, of the size of the illicit market. Currently the methodology only allows consideration of spirits and beer. For the UK, in 2008-09, this estimate was around 2% of total consumption (confidence intervals: 0 - 9%)³⁷. This figure has been falling since 2005-06. HMRC consider that the majority of the loss is through the practice of Diversion which involves diverting goods in transit, travelling in duty suspension to overseas markets, to the illicit UK market.

59. In evidence to the Health and Sport Committee in 2010 senior police officers indicated that across all eight forces in Scotland there was no evidence that illegal sales of alcohol were an issue nor did they consider that it was likely to become one. However, they indicated that if it

³⁴ Cross Border Report on Shopping, February 2009, <http://www.finance.gov.ie/viewdoc.asp?DocID=5711>

³⁵ AA Fuel Price Report July 2011 Average Scotland price for unleaded fuel http://www.theaa.com/motoring_advice/fuel/

³⁶ AA Running Costs tables: http://www.theaa.com/motoring_advice/running_costs/

³⁷ <http://www.hmrc.gov.uk/stats/measuring-tax-gaps-2010.htm.pdf> Note that the duty gap is estimated for spirits and beer only .

did become an attractive option for criminal activity then they would, along with HMRC, focus on it if the issue arose³⁸.

60. In addition, the Scottish Government understands that although the Scottish Crime and Drug Enforcement Agency is aware that there are incidences of illicit alcohol being sold, they, along with HMRC and Trading Standards, do not consider there is a significant problem in Scotland. Any incentive for an increase in illicit sales will depend at what level the minimum price per unit is set.

61. Similarly, home production of alcohol is currently considered to be undertaken on an insignificant scale and it is highly unlikely that any minimum price per unit set would be so high that it would result in a major increase in this activity.

UK Government

62. The effects on sales tax (VAT) and duty receipts are estimated to be relatively small due to the counter-balancing nature of the two taxes. Duty is applied to the volume of sales (which is estimated to reduce overall) but the VAT is applied to the monetary value of sales (which is estimated to increase overall).

63. Table 8 shows the estimated effects of minimum pricing scenarios on VAT and duty for the on and off-trade sectors per annum:

Minimum price per unit	Off-trade sector per annum (£m)	On-trade sector per annum (£m)	Net effect per annum (£m)	Net effect as % of total VAT and alcohol duties for UK
25p	0	+1	+1	+0.001
30p	-1	+2	+1	+0.001
35p	-4	+5	+1	+0.001
40p	-10	+8	-2	0.002
45p	-20	+11	-9	0.01
50p	-31	+15	-16	0.02
55p	-46	+19	-27	0.03
60p	-61	+23	-38	0.04
65p	-79	+27	-52	0.06
70p	-97	+32	-65	0.07

64. There is estimated to be a net effect of an increase of between £1m and a reduction of £65m in receipts to the Exchequer taking the range of prices from 25p to 70p. The actual effect will depend on the specific minimum price per unit set. Total receipts from VAT in the UK were

³⁸ <http://www.scottish.parliament.uk/s3/committees/hs/or-10/he10-0902.htm#Col2945>

£83,616m in 2009-10 and from alcohol duties in the UK were £9,246m³⁹. Taking the maximum effect of a reduction of £65m (70p minimum price), this represents a reduction of 0.07% of total receipts from VAT and alcohol duties in the UK. There are no costs to the UK Government which fall within the terms of the Statement of Funding⁴⁰.

The National Health Service

65. Alcohol misuse costs the National Health Service (NHS) an estimated £269m each year (paragraph 24). Health harms are estimated to reduce by up to £90m in the first year, and up to £1,965m over 10 years (table 6).

Wider costs of crime to society

66. The wider costs of crime to society (not including direct costs to victims) are estimated to reduce by up to £16m in the first year and by up to £138m over 10 years (table 6). The costs of crime include value of property stolen, damaged or destroyed, insurance administration and criminal justice system costs.

Uncertainty around costs and benefits

67. The estimates of costs and benefit are derived from the modelling work undertaken by SchARR. The presentation of results is consistent with an epidemiological approach in reporting the mean values for consumption and impact within the groups the Sheffield team were analysing. Mathematical and econometric models, such as the Sheffield model, are built to simulate complex real world phenomena and as such the models themselves are typically very complex. Probabilistic sensitivity analysis is a specific method of characterising uncertainty around values of individual input variables. It defines inputs as probability ranges (by applying a probability distribution) to determine if one or a combination of variables has an impact on a model's outcome.

68. The analyses undertaken by the Sheffield team include probabilistic sensitivity analysis around the price elasticities of demand and the use of alternative assumptions around the differential responsiveness of moderate and heavier drinkers⁴¹. This allows a range of estimates on the potential impact of minimum pricing on consumption and harm outcomes to be developed.

69. The 95% confidence intervals for changes in consumption due to each policy tested are quite narrow. For a 40p minimum price per unit for all drinkers the change is estimated to lie between 2.2% and 2.4% i.e. there is a 95% probability that the reduction lies between 2.2% and 2.4%. For an off-trade discount ban for all drinkers the change is estimated to lie between 3.1% and 3.2%; for the combination of these policies for all drinkers the change is estimated to lie between 4.9% and 5.2%.

³⁹ From tables in *Government Expenditure and Revenue Scotland 2009-10*, a National Statistics publication which estimates the contribution of revenue raised in Scotland toward the goods and services provided for the benefit of Scotland <http://www.scotland.gov.uk/Topics/Statistics/Browse/Economy/GERS/GERS2011tables>

⁴⁰ Her Majesty's Treasury *Funding the Scottish Parliament, National Assembly for Wales and Northern Ireland Assembly, Statement of Funding*, It sets out the arrangements which apply in setting devolved budgets in the 2010 Spending Review, http://www.hm-treasury.gov.uk/spend_sr2010_fundingpolicy.htm

⁴¹ SCHARR report pgs 61 – 65. <http://www.scotland.gov.uk/Publications/2010/04/20091852/0>

These documents relate to the Alcohol (Minimum Pricing) (Scotland) Bill (SP Bill 4) as introduced in the Scottish Parliament on 31 October 2011

70. Further testing and adjusting of the baseline results took place. For example, scenario analysis was carried out around the differential responsiveness of moderate and heavier drinkers. Following this, the elasticity estimates for hazardous and harmful drinkers were reduced by one third (using a modelling assumption made by Chisholm et al (2004)). Even under this scenario the model showed that harmful drinkers are more responsive to minimum price policies.

71. Additional detail around the sensitivity analyses carried out can be found in pages 61 – 65 of the 2010 ScHARR report.

72. Table 9 summarises the overall financial impact of the Bill.

Table 9: SUMMARY OF ADDITIONAL COSTS AND BENEFITS ARISING FROM THE ALCOHOL (MINIMUM PRICING) (SCOTLAND) BILL (all figures are in £m)

SECTION	SCOTTISH ADMINISTRATION	LOCAL AUTHORITIES	INDIVIDUALS	BUSINESSES	UK GOVERNMENT
Significant impact					
<p>Section 1 minimum price (25p to 70p per unit) (paragraphs 29 to 66)</p>	<p>Costs Cost of ScHARR report at £0.09m (paragraph 33).</p> <p>Initial business advice at a cost of around £0.09m (paragraph 34).</p> <p>Review of MRP – methodology and timescale not yet decided (paragraph 35).</p>	<p>Costs Minimal following introduction (ongoing) (paragraph 36).</p>	<p>Costs Increase in spend on sales of £9m to £191m per annum depending on the minimum price per unit set (paragraph 46, table 6).</p> <p>Benefits Health harms: reduction of up to £90m in year 1 (including QALYs), and up to £1965m over 10 years (including QALYs) depending on the minimum price per unit set (paragraph 46, table 6).</p> <p>Crime harms: reduction of up to £16m in year 1 (including QALYs), and reduction of up to £138m over 10 years (including QALYs) depending on the minimum price per unit set (paragraph 46, table 6).</p> <p>Employment harms: reduction of £2m to £85m in year 1, and reduction of £14m to £710m over 10 years depending on the minimum price per unit set (paragraph 46, table 6).</p>	<p>Costs Administrative costs for UK businesses of maintaining different pricing structures in Scotland to the rest of the UK – not quantified by industry (paragraphs 51 to 54)</p> <p>SGF 50p minimum price per unit – reduce sales by 10%</p> <p>70p minimum price per unit – reduce sales by 25%</p> <p>Benefits Increase in revenue of £8m to £257m per annum depending on the minimum price per unit set (paragraph 50, table 7).</p>	<p>Costs Ranging from an increase in VAT and duty of £1m to a reduction of £65m per annum depending on the minimum price per unit set (paragraph 64, table 8).</p>

These documents relate to the Alcohol (Minimum Pricing) (Scotland) Bill (SP Bill 4) as introduced in the Scottish Parliament on 31 October 2011

SCOTTISH GOVERNMENT STATEMENT ON LEGISLATIVE COMPETENCE

73. On 31 October 2011, the Cabinet Secretary for Health, Wellbeing and Cities Strategy (Nicola Sturgeon MSP) made the following statement:

“In my view, the provisions of the Alcohol (Minimum Pricing) (Scotland) Bill would be within the legislative competence of the Scottish Parliament.”

PRESIDING OFFICER’S STATEMENT ON LEGISLATIVE COMPETENCE

74. On 27 October 2011, the Presiding Officer (Tricia Marwick MSP) made the following statement:

“In my view, the provisions of the Alcohol (Minimum Pricing) (Scotland) Bill would be within the legislative competence of the Scottish Parliament.”

These documents relate to the Alcohol (Minimum Pricing) (Scotland) Bill (SP Bill 4) as introduced in the Scottish Parliament on 31 October 2011

ALCOHOL (MINIMUM PRICING) (SCOTLAND) BILL

EXPLANATORY NOTES (AND OTHER ACCOMPANYING DOCUMENTS)

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