Alcohol (Minimum Pricing)

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There are only a few minutes left, so I shall address just four issues. Is it worth it? Will it work? Is it unfair? How can we do it? We have heard many statistics this morning, on which I will not dwell in the short time I have. Suffice it to say that nearly 15,000 people died of attributable deaths to alcohol in 2005, and they are the tip of the iceberg. Those figures do not take account of the person knocked over by a drunk driver or people whose deaths were perhaps attributable to alcohol in ways that are not recorded in the true statistics. We underestimate the scale of the problem. On the human cost, as an NHS doctor for 24 years and a police surgeon, I cannot begin to tell hon. Members the hideous nature of a slow death from alcoholic psoriasis.

Will the policy work? Yes, there is very clear evidence that it will. Several meta-analyses were studied in the university of Sheffield report that was commissioned by the previous Government. Those show that it is clear that pricing is a very good mechanism not only for controlling overall consumption, but for targeting those who are most at risk: young people and heavy drinkers.

On the question of whether the policy is unfair, let us consider the statistics. Someone from a deprived area is three to five times more likely than someone living in an affluent area to die of an alcohol-specific cause. In addition, they are two to three times more likely to die of an alcohol-related cause and two to five times more likely to be admitted to hospital for an alcohol-related cause. It is completely untrue to say that we penalise low-income families by addressing the problem. That group of people is most at risk. If we consider the statistics on children who are affected and the figures on domestic violence, again, there is a skewing towards lower-income families. We should address that matter and not hide it under the carpet.

Time is very short so, finally, how can we do it? There are various ways. We could, for example, look at varying VAT. I recently wrote to the Treasury to provide a copy of an article written by Nick Sheron that was published in the British Medical Journal. He argues that we can achieve minimum pricing by varying VAT, and that we should perhaps lower VAT on on-licence sales of alcohol. That would mean that we protect the licensed trade. I think everyone would accept that we do not want to penalise pubs. Simply using the blunt instrument of raising duty is the incorrect way forward, but having a variable rate of VAT would be an interesting method, allowing us to protect the on-licence trade. Unfortunately, the Economic Secretary has written back to me to say that she feels that that would be illegal under EU law.

Under EU law, we cannot make supermarkets have different ways of adjusting to adopt such proposals, so the alternative is to introduce minimum pricing across the board. That is worth doing. I know that the Treasury feels that such an approach would perhaps deprive it of income, but we are all paying a very heavy price in costs to the criminal justice system and to the health service. Many hon. Members have cited the £2.7 billion figure in relation to the health service, but it is probably more than that. Certainly, the cost overall to our economy is nearer to £20 billion than some of the lower figures that have been cited today.
If we can address that, the Treasury would benefit indirectly, if not directly.

I shall mention a final mechanism. There are 30.4 billion units of alcohol sold in the off-trade. Perhaps we should consider introducing a levy just on the off-trade of 5p to 7p a unit on all off-licence sales. That would still leave 18 billion units of on-licence sales of alcohol unaffected. Perhaps that is another mechanism that could be looked at by the Treasury, which could benefit more directly while trying to achieve something closer to 50p a unit. Like many hon. Members, I do not seriously believe that the Government’s current proposals, while a step in the right direction, will have any meaningful impact on severe problem drinkers, particularly young binge drinkers.

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