Beer Duty Escalator

Sarah Wollaston (Totnes, Conservative) Click here to watch Sarah speak

Last week, I met people from the Victoria Inn and the Kings Arms in Salcombe, as well as the publican from the Ferry Boat Inn in Dittisham. Those are among the finest pubs in Britain, and I was told that they could employ more young people if they had lower overhead costs, which includes the beer duty escalator. Does my hon. Friend agree that the greatest threat to those wonderful pubs is the toxic effect of ultra-cheap alcohol from our supermarkets? We must do more to level the playing field.

Andrew Griffiths (Burton, Conservative)

My hon. Friend does a great deal of work on alcohol and responsible drinking, and I am pleased that she has seen for herself the benefits that pubs can provide in educating young people and providing low-strength, high volume drinks such as beer.

I am getting some looks from the Chair, so I must press on and finish my speech. I hope hon. Members will forgive me, but Madam Deputy Speaker is giving me that stern look.

The beer and pub industry pays Â£11 billion in tax, and many of our brewers pay more than 50% of their turnover in tax and duty to the Treasury. This is not special pleading, and the industry does not expect to be treated any differently from others, but as my hon. Friend Sir Roger Gale pointed out, companies such as Starbucks and Kentucky Fried Chicken, which have vastly larger turnovers, pay no tax. We want proper support for a good, British manufacturing industry.

We also want fairness. Britain pays 40% of all EU beer taxes, yet we drink just 13% of the beer—we are clearly not drinking hard enough. Why do we in Britain pay eight times more duty than a French drinker, 10 times that of a Spanish drinker, and 11 times that of a German drinker?

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