

THE BEER STORY



JOBS

GROWTH

FUTURE

2015

Facts on Tap

BRITISH
BEER PUB
ASSOCIATION



CAMRA
CAMPAIGN
FOR
REAL ALE

SIBA
local beer
Sustainable
Independent
Authentic
Beer

Pubs of
Ulster
Heritage • Events • Tourism

WHY DO BEER & PUBS MATTER?

UK PLC

Beer is a British product and a major tax contributor. There are now over 1,400 breweries in the UK.

Beer and pubs contribute £22bn to UK GDP and generate £13bn in tax revenue.

JOBS

The production and sale of beer creates jobs in agriculture, brewing, pubs and the wider supply chain.

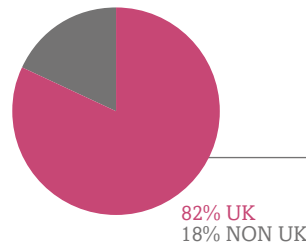
In total the beer and pub sector supports almost 900,000 jobs. 46% of those employed in the pub sector are 16 to 24 year olds.

RESPONSIBLE DRINKING

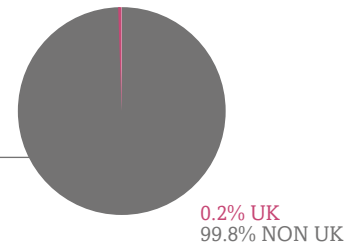
Government challenged industry to remove 1 billion units of alcohol from the market by 2015. By reducing the strength of existing products and introducing great-tasting lower strength brands, brewers alone have already removed 1.2 billion units.

UK alcohol consumption has decreased by 18% since 2004. Harmful and underage drinking have also fallen sharply.

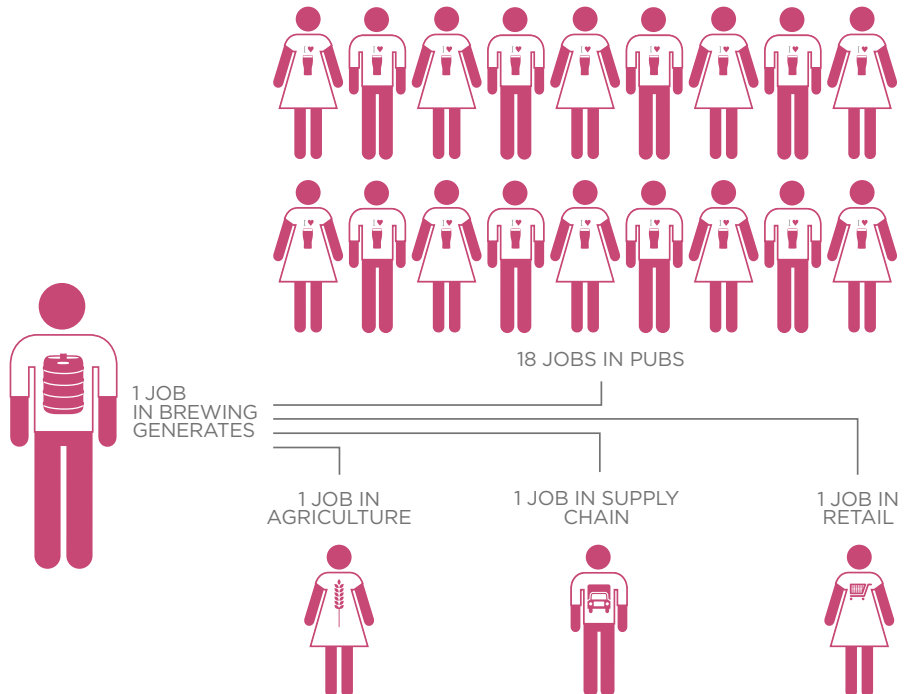
PROPORTION OF BEER SOLD IN BRITAIN THAT IS MADE IN BRITAIN

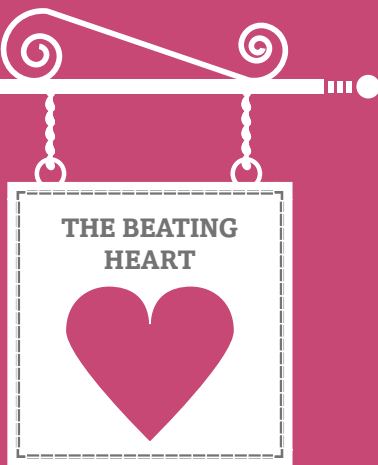


PROPORTION OF WINE SOLD IN BRITAIN THAT IS MADE IN BRITAIN



HOW BEER CREATES JOBS





PUBS AT THE HEART OF THE COMMUNITY

For every 10 drinks sold in a pub ...

7
are
BEERS



1
is
WINE



1
is
CIDER



1
is
SPIRITS



BEER SUPPORTS PUBS

At the heart of every pub is beer, mostly British-brewed, often locally. Beer is enjoyed by millions of UK adults. Keeping pints affordable is the best way to support community pubs.

BRINGING PEOPLE TOGETHER

Pubs play a unique role in national life. Friends are made and communities come together in pubs. Almost 1 billion pub meals are sold annually.

VIBRANT SMALL BUSINESSES

Pubs boost local economies by an average of £80,000 per year. Around 80% are community or rural pubs, bringing jobs to parts of the UK that need them most.

PROVIDING COMMUNITY SERVICES

Many pubs run vital public services such as post offices, local shops and broadband internet access, as well as putting on community events and cultural activities.

A PARTNERSHIP APPROACH

Pubs provide safe, supervised drinking environments. Pubs, the police and local authorities work together to tackle alcohol misuse.

AMBASSADORS FOR BRITAIN

For our tourism industry, pubs are a leading attraction and contribute to positive perceptions of the UK. The Government features pubs in its global GREAT Britain promotional campaign.

GLASS HALF FULL

BITTER MEMORIES

The beer duty escalator (2008-2013) meant beer tax increased by a staggering 42%. This caused immense damage to the sector and squeezed the pockets of ordinary people.

Beer duty is particularly regressive, hitting those on lowest incomes the hardest.

An escalating problem from 2008-2013:

- Beer duty increased by 42%
- Beer duty revenues increased by only 12%
- Beer consumption fell by 16%
- 7,000 pubs closed
- 58,000 jobs were lost

TURNING POINT

The decision to scrap the escalator and cut beer duty by 1p at the 2013 Budget was cheered by Britain's 32 million beer drinkers.

A second consecutive cut in 2014 has restored business confidence and a brighter future for UK pubs.



THE 2013 & 2014 BUDGETS



SECURED

16,000

vital jobs across the country

Boosted confidence with
companies likely to invest

over £1.1 billion

in the next 12 months

INCREASED

Beer sales

boosting the Treasury's total
tax take from beer

PENNIES OFF DUTY - POUNDS IN POCKETS

The sector has worked hard to pass on recent duty savings, helping people to afford a hard-earned pint at the end of their day.

Beer price increases in pubs are at their lowest since the 1980s.

A TAXING PROBLEM

ROOM FOR IMPROVEMENT

The 2013 and 2014 Budgets recognised the unique economic and social value of beer and pubs.

But, after years of above inflation duty increases, beer is still overtaxed. In 2013 Britons paid almost 40% of all EU beer duty but only consumed 12% of the beer.

SLOW PROGRESS

It will take many years to undo the impact of the beer duty escalator.

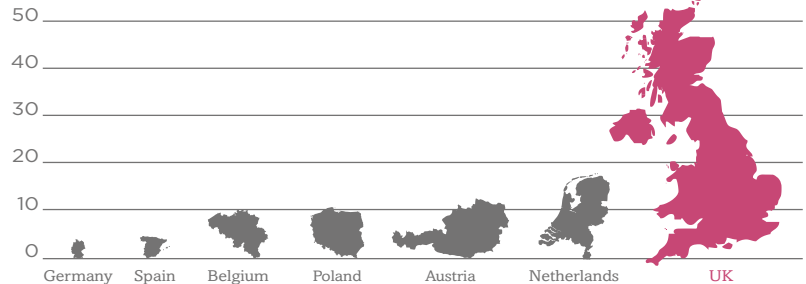
The planned 2.1% beer duty increase in the 2015 Budget will undermine last year's 2% cut for consumers.

MAINTAIN MOMENTUM

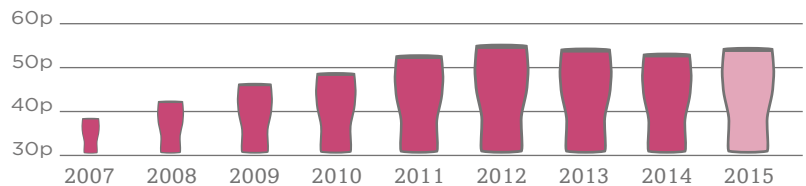
Even with recent duty cuts, the industry is under severe pressure.

Any future tax increases will curtail renewed ambition, damage jobs and inhibit investment in manufacturing and skills.

BEER DUTY RATES IN TOP 6 EU BREWING NATIONS
(PENNY PER PINT OF 5% ABV BEER)



DUTY PER PINT OF 5% ABV BEER



NET INCOME PER PINT FOR
BREWERS VS GOVERNMENT

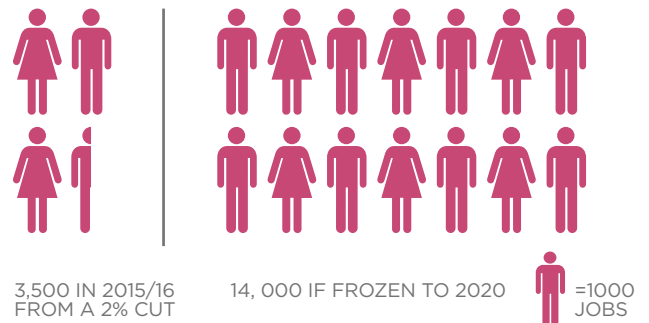


WHAT NEXT? A FURTHER CUT IN BEER DUTY WOULD:

1.
ENSURE A PINT IN THE PUB
REMAINS AN AFFORDABLE
PLEASURE FOR THE MILLIONS OF
BEER DRINKERS AND PUB-GOERS



2.
SECURE 1000S OF ADDITIONAL JOBS



3.
CONTINUE TO REBALANCE ALCOHOL
TAXATION AND ENCOURAGE PEOPLE
TOWARDS LOWER-STRENGTH,
BRITISH-MADE DRINKS



4.
BE POPULAR WITH SUPPORTERS OF
ALL PARTIES.

% SUPPORT FOR FURTHER CUT OR FREEZE,
BY VOTING INTENTION

