

# Whisky Boss backpedals

By Phyllis Stephen

The Whyte & Mackay boss had a second shot at explaining the job losses which might result from minimum pricing laws proposed in Scotland.

The committee was hearing more evidence relating to The Alcohol Scotland Bill today.

John Beard, CEO of the whisky producer, was recalled to The Health and Sport Committee of The Scottish Government this morning to clarify the evidence he gave last week about possible job losses, and he proceeded to give a very assured performance to a fairly edgy committee.

Beard was at pains to point out that the whisky producer instigated talks with all political parties on the subject:- "It seemed that the effect on jobs had not been taken into account."

Beard denied that any press releases were issued either before or after the meeting last week. He was accused by the committee of scaremongering by saying that 300 jobs were under threat. But, he said:- "Whyte & Mackay have identified the risk to Scottish jobs. There are two variables, the number of jobs which might be lost, and also the level of minimum pricing when it is introduced. Even though the 40p minimum figure would have little immediate effect, we estimate 83 jobs at Whyte and Mackay in Scotland are under threat over the longer term. The reference to 300 job losses which we estimate is based on a figure of 50p if implemented across the UK. But at the moment there are no anticipated job losses at Whyte & Mackay if the minimum price in Scotland is set at 40p."

He explained the company holds a strong view that this legislation will extend to the UK after introduction in

Scotland. "All the evidence I see is a concerted attempt to see the legislation extended across the UK", he continued although he stressed that the company also believe that the legislation is illegal under EU law

The committee said that introduction of minimum pricing could increase the price of a bottle of whisky by a third, but it seems unclear where that revenue flow would end up: in the hands of retailers or producers. Derek McGowan from The City of Edinburgh Council said:- "There is a question about whether the way that the calculation is expressed is clear enough."

There is a possibility that the legislation may be challenged on the basis that it is in breach of EU law, and particularly competition law. So it is important to remember that part of the reasoning behind the new law is to tackle alcohol misuse, and Jim McLean from the Law Society Competition Committee suggested the health grounds would provide a possible defence to any such challenge.

The Office of Fair Trading has already expressed the view that any use of the legislation to increase retail profits would undermine the rationale behind the laws. Their spokesman said:-"We would highlight that creating additional profits for retailers in selling alcohol might give them more incentives to sell more alcohol. In an extreme case that might undermine the rationale behind the legislation."

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