

UK pubs and breweries face potential £310m financial hit post-Budget, warns BBPA

Pubs and breweries across Britain may be hit with a potential £310m increase in expenses following [the Budget](#), as the British Beer and Pub Association (BBPA) has cautioned Chancellor Rachel Reeves against the impact of heightened business rates and beer duty.

With the industry accounting for one million jobs, the BBPA emphasized the severe implications these additional costs could have on employment and expansion within the sector, as reported by [City AM](#).

Emma McClarkin, the chief executive of the BBPA, issued a stark warning: “The clock is ticking on this government to uphold their pre-election promise to support our industry.”

She also highlighted the precarious position of pubs, noting that they earn as little as 12p profit per pint due to high operational costs, and described the sector’s state as fragile.

In her plea to the Chancellor, McClarkin stressed the importance of the pub sector to the [UK economy](#), stating: “Our industry pours billions into the economy, forms the backbone of the UK job market and is a cornerstone of the community.”

Adding to the sense of urgency, she insisted: “The [government](#) must be clear-eyed about the staggering extra costs which will choke growth, be bad for business, and risk people’s livelihoods.”

The association has urged Reeves to maintain business rates relief, facilitate overall reform of the levy, and consider a

reduction in beer duty rather than an inflation-linked increase, to bolster industry support.

The BBPA cited annual investments of around £2bn by the beer and pub sector as key contributors to economic growth, signalling that increased taxation could jeopardize such input. They also mentioned that a five per cent decrease in beer duty could spur the creation of an estimated 12,000 new job opportunities, mainly in the pub trade, according to projections detailed in relation to the 30 October fiscal event [Budget](#).

McClarkin cautioned, “If the government doesn’t act then communities, jobs, and the economy will pay the price,” but also highlighted the potential benefits of government support: “If the government invests in the industry, then we can continue to boost the economy, employ more people, and remain a home from home.”

In response, a Treasury spokesperson stated, “We’re supporting businesses like our well-loved pubs through pledges to make the business rates system fairer, cap corporation tax at 25 per cent and to publish a corporate tax roadmap so that they have some welcome certainty to plan for the future.”

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