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Britain’s Beer and Pub Sector Added £37.8 Billion to the Economy in 2025

An Oxford Economics report put tax revenue at £16.8 billion, with employment close to 1 million jobs.

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Britain’s beer and pub sector contributed £37.8 billion to the UK economy in 2025, supported almost 1 million jobs and generated £16.8 billion in tax revenue, according to analysis published Monday by the British Beer and Pub Association and prepared by

Oxford Economics.

The figures offer a broad measure of the industry’s role across brewing, pubs and retail beer sales, and they arrive as the trade group presses the government for further tax and cost relief. For drinks producers and sellers, the report adds fresh data to an ongoing debate over duty, employment costs and investment conditions in one of the country’s largest consumer-facing beverage markets.

The BBPA said the sector’s economic footprint extends across every parliamentary constituency and every region of the country. On average, each region generated £3.2 billion in gross value added and supported 81,800 jobs, the analysis found. It also estimated that the sector delivered £2.2 billion in net capital investment in 2025, with the North-West recording the highest regional total at £325 million.

Much of the activity came from pubs. The report said pubs alone generated £29.8 billion in gross value added, supported 849,600 jobs and paid £17.4 billion in wages. Breweries contributed £6.7 billion in gross value added and supported 74,100 jobs, while beer sales through the off-trade, including supermarkets and other retail outlets, contributed £2.3 billion in gross value added and supported 48,100 jobs.

The analysis also pointed to the sector’s role in the labor market for younger workers and people seeking flexible schedules. According to the report, 48% of direct jobs were held by people ages 16 to 24, equal to 341,900 roles, and 60% of workers were employed part-time. Those figures are likely to be watched closely by both employers and policymakers because they suggest that changes in taxes or operating costs could affect entry-level hiring, hospitality staffing and investment by brewers and pub operators.

Emma McClarkin, chief executive of the BBPA, said the findings show the industry is central to jobs, growth and local communities. She warned against taking the sector for granted and argued that pub closures would carry wider economic and social costs. Her comments reflect the position of a trade association representing brewers and pubs, and they come alongside a renewed lobbying campaign for lower costs.

The BBPA said a recent 20% cut in business rates was a useful first step, but argued that more support is needed if the sector is to maintain employment and investment. It is calling for permanent reform of business rates, a freeze in beer duty, a larger discount for draught products and a review of employment costs. Those requests go beyond the economic findings themselves, but the report is likely to be used by the industry as evidence in discussions with ministers and the Treasury.

That matters for the wider drinks business because beer remains closely tied to both on-trade and off-trade sales, and policy changes in one part of the market can ripple through brewers, wholesalers, hospitality groups and retail chains. A more favorable tax and cost environment could support capital spending and hiring, while higher duties or labor costs could put pressure on margins, pricing and investment plans across the beverage supply chain.

The BBPA also pointed to separate research from WPI Strategy, written by former Treasury economist Martin Beck, which argued that pubs generate broader social benefits beyond direct economic output. That report estimated that social interaction in pubs creates wellbeing value of about £1,000 to £2,000 per regular pubgoer each year. With nearly 30% of UK adults, or around 16 million people, visiting pubs regularly, the total wellbeing-equivalent value was estimated at as much as £30 billion a year. Those figures were cited by the trade body as additional evidence of the sector’s importance, though they measure social value rather than standard economic output.

Oxford Economics carried out the new economic analysis for the BBPA, which represents brewers and pub companies. The report gives the industry updated numbers as it seeks to make its case that beer and pubs are not only major contributors to tax revenue and employment, but also a source of investment and wage income in regions across the country.