Submission to the Labelling Review Response Secretariat on Alcoholic Beverages

RESPONSE FROM THE AUSTRALIAN ALCOHOLIC BEVERAGE INDUSTRIES

5 September 2011
Executive Summary

The Blewett Labelling Review recommendations on alcohol must be rejected by the Ministerial Council because the overwhelming evidence clearly shows that warning labels have no impact on drinking behaviour, especially among at-risk groups.

This evidence was presented to the Review Panel and is acknowledged in the preamble to its final report and yet, to our surprise, the report then makes recommendations that go against the evidence.

Indeed, we would submit that the Blewett Review has exceeded its brief in making the series of recommendations in relation to alcohol given that it was specifically tasked with reviewing food regulations at the same time FSANZ had already been charged to look at the effectiveness of warning labels.

Mandatory health warning labels are a simplistic, indirect and ineffective blanket measure when more strategic and targeted responses are needed to address genuine concerns about alcohol abuse in Australia. They also fail to recognise that most Australians drink responsibly and that alcohol consumed in moderation can have a number of health benefits.

To accept the Blewett Review’s recommendations would impose significant compliance burdens on industry, reduce productivity, require significant policing resources from Government and present consumers with a label “haze” that does nothing to provide the facts they need to make informed decisions.

In relation to pregnancy warning labels, evidence shows that women are generally aware of recommendations to avoid alcohol consumption when pregnant, which means the proposed point of sale signage requirements would have no effect in changing behaviour and would merely impose confusion and conflict to liquor licensees.

The Australian Government, in its response to the Preventative Health Taskforce and in its National Drug Strategy and National Alcohol Strategy, has strongly focussed its policy and programs on reducing the harmful consumption of alcohol, and not the reduction of alcohol consumption per se.

The alcohol beverage industry fully supports this goal, and its commitment is exemplified by initiatives such as standard drinks labelling and DrinkWise Australia. These have established a platform for future joint industry/government initiatives that can achieve the kind of change the Australian community is seeking.
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Who We Are

This response to the Blewett Labelling Review is the cumulative response of the Australian alcohol beverage industry and its representative associations.

1. Australian Hotels Association
2. Australian Liquor Stores Association
3. Clubs Australia
4. Brewers Association of Australia and New Zealand
5. Distilled Spirits Industry Council of Australia
6. Winemakers Federation of Australia

The Australian alcohol sector is a major contributor to the economic and social fabric of Australian life.

The Australian Government collects more than $5,850 million (2011-12) in alcohol specific taxes from the industry. The GST contribution is conservatively estimated to be at least $1,650 million in 2011-12.

It is conservatively estimated to be responsible for directly employing more than 500,000 Australians, and generating more than $3 billion in export earnings. It has fostered the prosperity of many regional communities which supply grapes and grains for alcoholic beverage production.

The alcohol and hospitality industry are a key component of Australia’s tourism industry. The tourism industry adds $34 billion to Australia’s gross domestic product¹.

Alcohol is enjoyed by the great majority of Australians, with 82% of Australians (18+ years) having had a drink in the past year, and only 10% of Australians (18+ years) having never had a drink.

The Australian alcohol sector creates and serves a product that is responsibly enjoyed by millions of people across Australia every day.

Foreword

Our approach to this submission is informed by best practice regulation principles.

We acknowledge that alcohol industry representatives were invited to a stakeholder workshop run by government at the offices of the NSW Department of Health on August 17th. And that, at this meeting, we were informed that the clock would not start ticking on COAG’s formal best practice regulation obligations until after the December meeting of the ANZ Food Regulation Ministerial Council. The preparation of a Regulation Impact Statement is an important part of these obligations, and we welcome the public commitment to these processes by government officers.

Nevertheless, in styling our submission, we thought it would be helpful to keep the first two principles of best practice regulation at the top of our minds, i.e.

“COAG has agreed that all governments will ensure that regulatory processes in their jurisdiction are consistent with the following principles:
1. Establishing a case for action before addressing a problem;
2. A range of feasible options must be considered, including self-regulatory, co-regulatory and non-regulatory approaches, and their benefits and costs assessed.”

Is there a ‘case for action’?

Ministers are being asked to consider some recommendations within Labelling Logic which pertain specifically to alcohol. The description of the problem that is trying to be addressed by these recommendations is very imprecise. The consumption of alcohol can accrue both positive health and social benefits to the consumer if consumed moderately, or negative benefits if abused. It is qualitatively different to the consumption of other substances covered by the National Drug Strategy (i.e. tobacco and illicit drugs) which only accrue negative benefits.

For alcohol, the potential problem which is being addressed is not alcohol use per se, but alcohol abuse. It follows that any ‘action’ which addresses this problem should be targeted at specific behaviours, and decision makers should be wary of population-based ‘actions’ which may reduce all consumption indiscriminately, and cause unintended consequences.

Mandatory warning labels and nutritional information are indiscriminate, population based measures, whose goals can be meet more effectively and at lower cost by other means, and the use of which on containers and at point of sale will detract from essential messages.

We would contend that current industry initiatives based around DrinkWise Australia are the most suitable future option, as an evidence-based policy response, and in line with Government best-practice regulation. This also has the benefit at no cost to the Australian Government.

Section 1: Warning labels

The Blewett Review makes the following recommendations in relation to warning labels on alcohol.

Recommendation 24: That generic alcohol warning messages be placed on alcohol labels but only as an element of a comprehensive multifaceted national campaign targeting the public health problems of alcohol in society.

Recommendation 25: That a suitably worded warning message about the risks of consuming alcohol while pregnant be mandated on individual containers of alcoholic beverages and at the point of sale for unpackaged alcoholic beverages, as support for ongoing broader community education.

Our response is provided in the following pages according to the six specific questions raised for discussion.

1. If the recommendations were agreed to how could they be implemented, and what are the likely outcomes?

2. To what extent do existing industry initiatives comprising voluntary health messages address (or partly address) the Review Panel's proposal for generic alcohol warning messages and/or warning messages aimed at pregnant women?

3. What issues need to be explored from an industry/public health perspective when considering these recommendations?

4. What other regulatory requirements relevant to the sale of alcohol need to be taken into account?

5. What implementation considerations need to be taken into account in relation to the Review Panel's proposal for warning messages targeting pregnant women to be provided at point of sale for unpackaged alcoholic beverages?

6. Can you suggest alternative solutions to the problems that the recommendations seek to address?
1. If the recommendations were agreed to how could they be implemented, and what are the likely outcomes?

If the intent of these recommendations is to decrease excessive drinking then the outcomes will be negligible at best because evidence shows that warning labels do not change behaviour, especially amongst "at-risk" groups. The following findings clearly make that point.

**ANZFA 2001 (now Food Standards Australia New Zealand)**

*Rejection of Application A359 – Requiring Labelling of Alcoholic Beverages with a Warning Statement.* (This is the most recently completed assessment by FSANZ.)

“ANZFA has made a full assessment of this application and has rejected it for the following reasons: …

Scientific evidence for the effectiveness of warning statements on alcoholic beverages shows that while warning labels may increase awareness, the increased awareness does not necessarily lead to the desired behavioural changes in ‘at risk’ groups. In fact, there is considerable scientific evidence that warning statements may result in an increase in the undesirable behaviour in ‘at risk’ groups.”


**WHO Expert Committee on Problems Related to Alcohol Consumption 2007**

Based on the substantive evidence base for the effectiveness and cost-effectiveness of alcohol policies and programmes in reducing the negative consequences of harmful use of alcohol, the Committee recommends that WHO support and assist governments, upon request: … to raise awareness and support for effective policies. (In this regard, it is stressed that many commonly-used education and persuasion measures, for example school education programmes, mass media campaigns and warning labels, show little evidence of effectiveness in reducing alcohol-related harm, and therefore should not be implemented in isolation as alcohol policies.)

http://www.who.int/substance_abuse/expert_committee_alcohol_trs944.pdf

**New Zealand Food Safety Authority 2008**

“NZFSA believes that community targeted education campaigns aimed at implementing positive behaviour change around alcohol consumption may be more effective than mandatory advisory labels. An example of effective community campaigns backed up by policy and law enforcement in New Zealand is demonstrated by the mass media campaigns surrounding drinking and driving. This has been achieved without warning labels on alcoholic beverages. Education of consumers in regard to standard drink labelling and providing information on the labels in the form of standard drinks allows consumers to make informed choices in regard to the amount of alcohol they are able to drink when planning to drive.”

http://www.foodsafety.govt.nz/elibrary/industry/Application_A576-Detailed_Submission.htm

**Food Standards Australia and New Zealand 2009**

The Food Regulation Ministerial Council commissioned advice from FSANZ on the effectiveness (or not) of food labelling. Dr Neil Blewett said he would have access to this material. Although it has never been released publicly, we believe this report would also
have advised that warning labels are ineffective in changing behaviour. It is important that this report is released publicly.

**Blewett Review of Food Labelling 2011**

“4.7.3 There is wide recognition that warning labels in isolation are unlikely to be effective in modifying behaviour. Research on the effects of alcohol warning labels, carried out mainly in the USA, where labelling was implemented in 1989, shows that while awareness and understanding of the message increases, generally labelling does not of itself result in behaviour change. A recent literature review concluded that although there is some limited evidence of effectiveness of effects on knowledge and attitudes, there is only slight evidence of any effects on drinking behaviour.”

http://www.foodlabellingreview.gov.au/internet/foodlabelling/publishing.nsf/content/labelling

[A more detailed overview of why labelling won’t change behaviour is included as Appendix 1 and a US case study as Appendix 2.]

Ironically, even a study conducted by VicHealth\(^3\) and used to support its arguments for graphic label warnings [see below] shows that such warnings don’t change behaviour. Focus group participants acknowledged “that the health risks posed by alcohol consumption differed from tobacco smoking. In that context, warning labels on alcohol would probably not act as a deterrent from consumption per se”.

Significantly the study participants did say that they use standard drink information on packaging, as introduced by the industry, to influence purchase decisions.

While some advocates argue warning labels may have a place as part of a broader package of measures, there is a danger in assuming that actions proposed as part of that basket will be realised consistently over any length of time, particularly if they are linked to specific government policies and budget allocations. For example, the *Alcohol Go Easy* campaign introduced by the Keating Government was axed shortly after commencement by the incoming Howard Government.

The impact of standard drinks labelling – which was launched as a co-operative industry/government initiative – would have been greater if the government had delivered the significant public education campaigns as initially proposed. If this situation was repeated in relation to more significant label changes, then the cost to producers would be more significant.

More importantly, we submit that an appropriate platform for delivering a co-ordinated package of education and information (including labelling) already is being voluntarily delivered by the industry through DrinkWise Australia and individual industry associations [see our response to question 2].

**The damage of an excessive response**

While the Blewett Review did not make recommendations about the nature of proposed warning labels, Australia's alcohol beverage industry must express our strong concern about the draconian options recently put forward by VicHealth and supported by the National Alliance for Action on Alcohol and other groups. Two examples are shown below.

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\(^3\) An exploratory study of drinkers views of health information and warning labels on alcohol containers, *Drug and Alcohol Review*, 2011
These labels were developed following a telephone survey of just 1523 people and VicHealth’s claim that 91% of them supported the idea of warning labels was based on responses to the broad question: “Is alcohol a serious issue for the community?”

The warnings are similar to those recently proposed in Thailand (see below). Australia and most other nations objected that they were a Technical Barrier to Trade and through WTO processes asked Thailand to “consider less trade-restrictive alternatives”\(^4\). They are presently being modified.

\(^4\) DFAT, Minutes of the meeting of the WTO committee on technical barriers to trade. June 2010
Alcohol intoxication leads to the accidents

Drinking alcohol leads to adverse health effect and family problem

As well as being excessive, untrue and therefore unsupported by evidence, such labels would impose significant additional costs on alcohol producers and impinge on their ability to present legitimate marketing and consumer information on packaging.

We note that the US opinion on the proposed Thai labels was that “introducing graphic warning labels will not help tackle the problem of high alcohol consumption in Thailand but will devastate the tourism industry and image of the country”.

A question of intent and the need for balance

The question must be raised about what is the intent of any new labelling requirements. If (as we believe should be the case) it is to provide information which equips consumers to make informed decisions and/or seek further information, then we would argue that current requirements coupled with recent initiatives are more than adequate. Both of these points are elaborated upon later in this document.

If, however, our intent is to guide those decisions on the basis of perceived consequences then the proven positive health impact of moderate consumption (in relation to heart disease, type II diabetes or dementia, for example as per Appendix 8) must also be highlighted. If packaging warns against possible health risks linked to alcohol consumption without mentioning the possible cardiovascular advantages then the outcome is to mislead consumers, or at very least to deprive them of the full facts. In such a situation, the provisions of the Food Code that stop alcohol producers from highlighting benefits would have to be reviewed.

5 USDA FAS, GAIN Report Number: TH0015: Draft Regulation on Alcohol Graphic Warning Labelling, 29-1-2010
2. To what extent do existing industry initiatives comprising voluntary health messages address (or partly address) the Review Panel's proposal for generic alcohol warning messages and/or warning messages aimed at pregnant women

In the mid 1990s, alcohol producers agreed to include information on standard drinks on product packaging. In the following decade, this was expanded to include the successful adoption of the following pictograms to more readily communicate this information to consumers.

<table>
<thead>
<tr>
<th>Beer</th>
<th>Spirits</th>
<th>Wine</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image" alt="Beer Standard Drinks" /></td>
<td><img src="image" alt="Spirits Standard Drinks" /></td>
<td><img src="image" alt="Wine Standard Drinks" /></td>
</tr>
</tbody>
</table>

The individual industry sectors have undertaken a range of voluntary initiatives, culminating in the creation and growth of DrinkWise Australia as a single focus for industry-funded activity to raise awareness about issues related to excessive alcohol consumption.

**DrinkWise Australia**

DrinkWise[^6] is an independent, not-for-profit, evidence-based organisation funded by voluntary contributions from some members of the alcohol industry, who produce collectively 80% (by volume) of the alcohol sold in Australia. It is committed to ongoing community education activities that will help shape a healthier and safer drinking culture.

Based on its own extensive research and complementary work by conducted by the Distilled Spirits Industry Council of Australia (DSICA), DrinkWise believes consumer behaviour may moderate in response to messaging around ‘harm to others’ (i.e. family and friends) and targets specific messages at heavy drinkers, parents and young women.

Two earlier DrinkWise campaigns, *Kids and Alcohol Don’t Mix* and *Kids Absorb Your Drinking*, actively encouraged parents to delay the introduction to alcohol for young people. In a survey released this year, 76% of parents said the *Kids and Alcohol Don’t Mix* campaign had made them

think about how they drank and how their attitude to alcohol would influence the way their children may drink in the future.

There is strong support from retailers, with Coles, Woolworths and others actively distributing DrinkWise leaflets.

DrinkWise recently expanded its communication activities to include consumer messages on alcohol labels. These are not simplistic health warnings; they encourage consumers to make informed decisions by getting the facts about safe drinking practices and levels from the DrinkWise website.

The labelling initiative involves a Get the Facts graphic placed on its own or alongside one of three other messages.

![Get the Facts](image)

The new campaign is 'multi-faceted' and supported by labelling, general electronic advertising, promotional activities, and on-premise messaging.

The response from the NAAA and other groups was predictable: dismissing the initiative as weak and tainted merely because it was driven by industry – and the Alcohol Education & Rehabilitation Foundation (AER) subsequently released its own proposed mandatory labels. Full details can be found at [www.aerf.com.au/showcase/main.aspx](http://www.aerf.com.au/showcase/main.aspx).

**Complementary initiatives**

In addition to the DrinkWise voluntary initiative, industry itself has been responsible for leading and progressing a number of consumer information initiatives over time.

Should Government mandate additional information on labels, this immediately compromises valuable label real estate. Producers would be faced with a difficult decision on removing these voluntary initiatives (e.g.: standard drink pictogram, get the facts, etc.) in order to put on, say, a pregnancy warning or kilojoule count. Clearly such an approach is self-defeating for Government.
**Brewing Industry**

The Brewers’ Association of Australia and New Zealand (BAANZ) supports the long-running *Rethinking Drinking: You’re in Control* initiative, which provides classroom teaching kits which set out lesson plans, student workbooks and provide a series of ‘discussion starter’ role plays on DVD.

BAANZ also has sponsored the production of materials in support of the Pregnancy Lifescrpts initiative in Australia, which promotes the use of brief interventions directly to the target audience, providing health advice in a health setting which has been shown to be very effective (Floyd et al., 2007).

**Retailers**

On-premise licensees are required under licensing conditions to show a number of signs relating to underage consumption, responsible consumption, and licensee powers to remove intoxicated patrons. These are highlighted later in this submission. Off-premise retailers have voluntarily supported efforts to ensure people under the age of 18 do not purchase alcohol or that it does not get purchased for them.

**Spirits Industry**

The message *Is Your Drinking Harming Yourself or Others?* comes from a previous DSICA voluntary initiative after significant consumer research.

**Wine Industry**

The French ‘pregnant lady’ pictogram is a voluntary initiative of the Winemakers' Federation of Australia (WFA) and mirrors requirements in France and several other European nations.

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7 See [www.rethinkingdrinking.org](http://www.rethinkingdrinking.org)
In another WFA initiative in partnership with producers, from August 2011 most Australian wine casks will begin to carry a full-size representation of what constitutes a standard drink as well as consumer information promoting responsible alcohol consumption.

Meeting Government expectations

In 2010 the National Preventative Health Taskforce recommended alcohol warning labels on alcohol packaging of at least 25% of available space.

The Government response was “to pursue voluntary and collaborative approaches with the alcohol industry to promote a more responsible approach to alcohol in Australia before considering more mandatory regulation. If these approaches are not successful or sustained, the Government will consider stronger measures”.

Clearly, the industry has taken a voluntary and collaborative approach with a range of initiatives thereby nullifying any need for Government to consider mandatory regulation. Industry has every intention of sustaining these high profile and easily monitored activities.

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8 Taking Preventative Action, A response to Australia: the healthiest country by 2020, 2010
3. What issues need to be explored from an industry/public health perspective when considering these recommendations?

There are four important points to make in response to this question.

Food safety and alcohol content are the key labelling requirements

The food regulatory system is not the appropriate system to meet broader public health objectives. It should concentrate on the core objectives of ensuring that food is safe and meets consumer expectations in terms of integrity. Other policy objectives are better achieved elsewhere.

As regulators require more information to be crammed into limited label space, consumers are finding it more difficult to find and absorb what they want and need to know.

It is appropriate to require alcohol labels to disclose core information such as alcohol content, container size, and country of origin (for wine), but a label is not the place for more detailed distracting information.

With the advent of modern technology, additional information can be made available via websites and extended barcoding technology. This is the approach DrinkWise has taken with its latest labelling initiative.

Minimum effective regulation

Regulatory change should be a last resort. The criteria and approach is already enshrined largely in the whole-of-government endorsed principles of Minimum Effective Regulation adopted by COAG and endorsed by the Food Regulation Ministerial Council.


The industry has found codes of practice or industry-led volunteer initiatives to be very effective in a number of instances. For example, the three producer associations fund the quasi-regulatory Alcohol Beverages Advertising Code which regulates alcohol advertising.

The trend for interest groups to use labelling to deliver a range of information other than for food safety has grown steadily in recent times to encompass GM, palm oil, country-of-origin, sustainability claims, etc.

In terms of alcohol labelling, this has been reflected in a surge in regulatory proposals in a number of areas, notably: pregnancy health warnings; standard drinks; warnings against harmful use of alcohol and drinking by minors; nutritional information; allergen labelling; and, ingredient labelling.

It is important to ‘do no harm’

The vast majority of Australians drink alcohol in moderation, according to NHMRC guidelines. They do so by choice, based on their evaluation of the risks and benefits (both social and health) and the recommendations of health authorities and the alcohol industry.

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9 See www.abac.org.au
There is a worrying trend for what can only be described as an anti-alcohol lobby to portray all alcohol as bad all the time and to dismiss as ‘industry spin’ the legitimate social and (proven) health benefits of moderate consumption. There is a credible risk that unwarranted and over-dramatic label warnings will become a part of that campaign.

The very nature of product labelling requires an economy of words, and the avoidance of confusion or crowding.

Some non-communicable diseases can be exacerbated by the harmful use of alcohol. But the moderate use of alcohol provides potential protection against some major diseases, e.g. cardiovascular disease, cancer, and type II diabetes as highlighted in Appendix 8.

The first of these facts is implicitly acknowledged in the careful use of the phrase ‘harmful use of alcohol’ throughout the WHO’s Global Alcohol Strategy and most Australian government policy documents.

The second of these facts is usually ignored in the advocacy of population level measures, particularly by NAAA members who are often paid advisers to government on alcohol policy.

The health benefits of moderate consumption was most recently supported in a new study10 by the US Federal Centers for Disease Control and Prevention confirms that moderate alcohol consumption is one of four healthy lifestyle behaviours that help people live longer.

Whilst there is a very healthy consensus amongst stakeholders that, in clinical settings it is not recommended to advise non-drinkers to start drinking for its potential health benefits, ignoring these benefits in the design of wider public policy could be, literally, create an unhealthy outcome. One that risks adding costs to public health care.

Such an approach is blind to the complexity of the relationship between alcohol consumption and non-communicable disease, and potentially risks increasing non-communicable disease by encouraging population-wide measures addressed at all drinkers (mostly the ‘worried well’ who do receive alcohol’s benefit), not just those who drink in a harmful manner.

Below is a recent representation of the very great body of evidence that supports the existence of the alcohol J-curve effect, showing the relative risk of total mortality, which is less for moderate drinkers than abstainers11.

10 Earl S. Ford, MD, MPH, Guixiang Zhao, MD, PhD, James Tsai, MD, MPH, and Chaoyang Li, MD, PhD, Low-Risk Lifestyle Behaviors and All-Cause Mortality: Findings From the National Health and Nutrition Examination Survey III Mortality Study, August 2011
11 Castelnuovo, Costanzo et al; Alcohol Dosing and Total Mortality in Men and Women, An Updated Meta-analysis of 34 Prospective Studies, Archives of Internal Medicine 2006;166:2437-2445. This study considers and accounts for potential ‘sick quitters’ amongst former drinkers.
The potential benefits of moderate drinking as a prevention factor in NCDs is acknowledged in Australia’s official drinking guidelines, which were endorsed after an extensive peer reviewed process conducted by the National Health & Medical Research Council. This assessment is supported by the findings of a major Australian health survey, conducted by the Australian Institute of Health & Welfare. The National Drug Strategy Household Survey of 26,648 people, is part of a long series commissioned by Government to inform the designers of drug policy.

The 2010 Survey results were published just a month ago, supports the existence of NCD benefits from moderate consumption over abstention:

“In 2010, for people aged 18 years or older, abstainers were more likely to assess their health as being poor (3.5%), and report having diabetes (9.9%), heart disease (26.0%), and high or very high psychological distress (3.4%) than recent drinkers.”

Policy designers cannot afford to ignore the contribution of moderate alcohol consumption to the reduction of NCD rates, nor the direct intellectual challenge this poses to ‘one size fits all’ population level measures.

**Simplistic messaging can be counterproductive**

The simplistic nature of proposed health ‘warnings’ means they cannot give consumers all the facts or highlight the often complex relationship between alcohol consumption and health. As such they can be misleading and in some contexts dangerous.

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A particularly worrying example is the pregnancy health warning recently proposed by the AER Foundation13.

![HEALTH WARNING](image)

The warning as worded goes against the highest medical and clinical advice. A great deal of research has been done in this area, which is why the NHMRC guidelines are very carefully worded and were chosen by DrinkWise for its new labelling initiative.

To quote the national clinical guidelines14 for the management of drug use during pregnancy, birth and early development years of the newborn:

> An abstinence-based approach is not recommended, in part because it could result in disproportionate anxiety among women with an unplanned pregnancy, many of whom consume before they know they are pregnant, but usually without harmful consequences for the infant. Anxiety about alcohol consumption has sometimes resulted in precipitous decisions to terminate a pregnancy.

The risk is that if women have been advised about alcohol and pregnancy solely through the health advisory label, upon discovering the pregnancy, women will immediately review their alcohol (and tobacco/drug) consumption in the previous one to two months. If the warning label states that the child could or may have been damaged, or is at risk of having neurological defects, this will likely create a sense of fear and guilt. This concern would be particularly acute for first-time mothers, or those without strong social support networks, or with other drug dependencies15.

Some expectant mothers may be so concerned or in such a state of depression and guilt as to terminate the pregnancy based on their expectation that the foetus has been damaged16. This risk has been recently commented on by the Royal Australian College of Obstetricians and Gynaecologists17.

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15 Public Health Agency of Canada. Research Update - Alcohol Use and Pregnancy, section 8.2. 2007
17 Abortion fear over no-alcohol in pregnancy advice. The Age, 15 November 2007
Further information about research underpinning advice to expectant mothers is included as Appendix 7.

The key point in relation to this submission is that it is not labelling per se that is the problem; it is labelling without access to other sources of information or, ideally, a health professional.

This is not the place to fully critique the remainder of the AER proposal in this regard. However, it is appropriate to note that they incorporate many of the practical, legislative and content issues raised in this submission.

- Requirements to rotate a set of five messages increases substantially the costs of production and slow manufacturing processes (especially for smaller producers)
- A requirement for a third of label surface area to be consumed with a warning takes significant label space away from the descriptors and information a consumer is actually searching for, such as lager, bitter, bourbon, merlot, Coonawarra, etc.
- A requirement to have a fixed position for the label breaches the Australian Government Wine Agreement signed off at treaty level for a “common field of vision” on all wine labels
- The warnings do not provide consumers with all the information they need to make a decision about their health.

4. What other regulatory requirements relevant to the sale of alcohol need to be taken into account?

There are four issues that require consideration.

**Technical barriers to trade**

Industry recognises the right of Governments to regulate for the health and safety of their citizens in accordance with WTO rules. However, in line with onerous labelling requirements can also become Technical Barriers to Trade requirements, there are some areas where trade could be facilitated and consumer information promoted alongside national rules.

Importers of alcohol into Australia would need to develop special labels for sales in the Australian market, which could lead to a WTO dispute as was the case in Thailand and the Philippines when they sought to introduce warning labels.

**Impact on trade**

Australia has a number of international obligations for label integrity that would be undermined by the implementation of the Blewett Review recommendations. These are detailed in Appendix 3.

The harmonisation and simplification of labelling requirements translates to significant annual cost savings (an estimated US$34.2 million a year in the APEC Region alone). Both producers and consumers would benefit.

Consistent labelling across markets will not only benefit established exporters, but also new smaller exporters. Anecdotal evidence suggests that small(er) alcohol producers could save proportionately more, in particular, on costs associated with preparing label templates.
Productivity losses

The Australian Government has a core commitment to improve Australia’s productivity. Imposition of additional compliance and regulatory burden through mandatory warning labels will only serve to diminish the productivity of Industry and Government with an increase in resource allocations for policing of the labels.

The productivity of Australia as a nation has been slowing and stagnating for the better part of a decade. In responding to the Australia to 2050 Report, then Prime Minister Kevin Rudd said if this trend continued “Australia will struggle to meet the major challenges facing our economy”, adding that one area for targeting is the “cutting of red tape”. These sentiments were echoed by the present Prime Minster, Julie Gillard, in her response to the Grattan Institute report entitled Australia’s Productivity Challenge.

For industry, the imposition of a warning label would:
- slow the speed of bottling / labelling
- increase costs for label design
- increase costs for additional colours on label ($350 per label per single-colour change)
- increase red-tape to produce different labels for different markets, especially for smaller producer with smaller batch runs
- be a technical barrier to trade as importers of alcohol would need to develop special labels for sales in the Australian market.

For Government, the imposition of warning labels would require:
- the establishment of a consumer complaint mechanism
- dedicated human resources to monitoring, compliance and policing
- consideration of penalties for non-compliance leading to the possibility of court attendances or legal challenges.

It needs to be stressed that regulation imposes costs

A PriceWaterhouseCoopers (PWC) report for FSANZ in 2008 identified an approximate average cost of $9-10,000 for a medium or major label change on glass bottles or aluminium cans.

Alcohol producers have great numbers of different product lines. While some proportion of the average labelling cost identified by PWC might not be incurred for a particular label’s repeated use on different product lines and packaging lines (i.e. its design costs), each product line or packaging variation would require much of the cost to be re-incurred every time the label is used.

Health warning labels would also require back labelling in those cases where only a front label is currently used, i.e. that an additional label be affixed at the rear of the bottle. This is particularly the case for bottled beers.

Not all labelling machines handle back labels, and this may be a consideration for smaller producers or new entrants.

Aside from the capital cost, back labelling slows the bottling process substantially, which is why back labels are avoided where possible at present.

In addition, label changes on bottling lines do add extra costs in terms of the lost production time as the label stock is changed over and the resulting operation is quality checked.

Mandated labelling requirements to frequently rotate labels (as proposed by the NAAA and others) will simply multiply the cost impacts.
It is also worth noting that label changes themselves are not undertaken regularly. Many producers will not alter a label for three years or longer – especially smaller producers.

Monitoring and enforcement

To be effective, new labelling regulations would require a significantly greater commitment to monitoring and enforcement. If State Governments do not think it is a priority to prosecute non-compliant labelling then only “good” companies will comply, to their detriment.

This is a significant matter that was raised with the Blewett Review but is not properly highlighted in its report.

A recent example of poor monitoring and enforcement of labelling requirements has been the many instances across beverage types of products being imported with lot codes removed (known as decoding). This issue is detailed further in Appendix 4.

5. What implementation considerations need to be taken into account in relation to the Review Panel’s proposal for warning messages targeting pregnant women to be provided at point of sale for unpackaged alcoholic beverages?

As with warning labels, the requirement for warning messages at point of sale should be based on credible evidence of the need, including:

- whether there is adequate available information for women on alcoholic beverage consumption during pregnancy
- the effect of alcoholic beverages on pregnancy
- the level of awareness and knowledge about such effects
- whether health advisory or warning labels actually change behaviour in the at risk group; that is, pregnant women.

Awareness of risk

There is a myriad of print and website material readily available for women – produced by governments, allied health organisations and other NGOs – and available data shows the level of awareness amongst women of childbearing age of the risk of consuming alcohol when planning to become pregnant and during pregnancy in Australia is high.

In the recent Australian Longitudinal Study on Women’s Health 1996–2003, 91% of women aged 18–23 years consumed alcohol. Of these, 71% consumed alcohol at an amount and pattern associated with short-term harm according to the 2001 NHMRC Australian Alcohol Guidelines. As this population group aged, their consumption changed and the percentage at risk of harms reduced\(^\text{18}\), which is consistent with observations from other longitudinal studies.

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The latest household survey also indicates a greater proportion of women are abstaining from drinking alcohol during pregnancy. Without a clear understanding of why this change has occurred, it seems poor policy justification to mandatorily impose a pregnancy warning label.

**Health warnings need to demonstrate behavioural change**

Despite medical advice to abstain from alcohol, in a recent study of alcohol consumption during pregnancy in non-indigenous West Australian women 79.8% reported consuming alcohol in the three months before pregnancy, and 58.7% drank alcohol in at least one trimester of pregnancy. Interestingly, while the proportion of women consuming one to two drinks on a typical occasion did not change significantly during pregnancy, the number of occasions declined.

Although the proportion of women consuming more than two standard drinks on a typical occasion declined after the first trimester, 19.0% of women consumed this amount in at least one trimester of pregnancy. Positively, very few women drank to hazardous levels. Only 4.3% of women consumed five or more standard drinks on a typical occasion in at least one trimester of pregnancy.

In the first trimester of pregnancy, however, 14.8% of women drank outside the 2001 Australian guideline for alcohol consumption in pregnancy, which highlights the industry concern over the AER Foundation advice to pregnant women which comes after they have learnt of their pregnancy.

Interestingly, from a 1988 study of changes in alcohol usage during pregnancy in a sample of 112 pregnant South Australian women, 86 of whom drank alcohol before pregnancy, One hundred percent of drinkers reported a reduced intake of alcohol. This demonstrates that Australian women are already making informed choices during pregnancy about their level of alcohol consumption in the absence of information on beverage container or at point-of-sale.

These studies show awareness is high but behavioural change is not. Irrespective of advice or guidance to the contrary, approximately one half to two thirds of Australian women consume alcohol during their pregnancy.

Indeed, a 2011 study of 1103 Australian women aged 18 to 45 years suggests that women's past pregnancy and current drinking behaviour, especially more frequent and higher current alcohol consumption, and attitudes to alcohol use in pregnancy were the strongest predictors of alcohol consumption in pregnancy. Targeted interventions for women at higher risk of alcohol consumption in pregnancy are therefore needed to change women's risk perception and behaviour.

**On-premise targeting**

The recommendation for pregnancy warning labels to appear at point of sale for unpacked beverages presents a significant number of challenges from a public health policy perspective and an industry policy perspective.

- The imposition of a pregnancy warning label would impact over 50,000 businesses in Australia, predominately small family-run enterprises

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- 37,699 restaurants, café and catering businesses (2004 ABS). 2010 estimate is approximately 45,000
  - Of these 84% employ 20 people or less
- 4,252 pubs, bars and taverns (2004 ABS). 2010 estimate is approximately 5,500
- Less than half of the patrons to these establishments are female.
- Only 3.23% of the female population is pregnant at any given time.
- Many beverages, especially in restaurants, are served directly into the glass and most wine selection is made by the male. This makes it highly unlikely that the female would even see the pregnancy warning.
- A significant proportion of on-premise wine sales occur through table service where there is no defined ‘point of sale’. Are wait staff in restaurants and function venues, for example, to be expected to provide a verbal warning to all customers of the risks of drinking while pregnant?

The extent of operations captured by the proposed requirements is greater than simply the licensed hospitality industry. Office social clubs, for example, would need to advise function attendees of the risks of consuming alcohol while pregnant before any drinks are consumed. Hairdressers that provide champagne for customers would face a similar requirement, and what is the point of sale for alcohol consumed while flying on a commercial aeroplane or at the opening of an art gallery exhibition?

**Potential harassment of female drinkers**

Aggressive warnings have the potential to lead to pregnant women being harassed or abused in a social setting, whether they are drinking alcohol or not.

It is unreasonable to expect Responsible Service of Alcohol Training to cover off educating patrons about the complexity of alcohol consumption during pregnancy and its potential impacts on the unborn child.

Even if venues are required to erect point of sale signage, they are still not permitted to refuse service to a pregnant woman under anti-discrimination legislation. This raises potential conflict between the obligations of licensees under state/territory licensing laws to serve alcohol responsibly with their obligation under federal anti-discrimination laws not to discriminate against any patron on the basis of pregnancy.

**Sign blindness**

Customers at pubs and clubs are overloaded with government-mandated signage. Any message from new signage is likely to be lost in the clutter of messages from numerous other required signs, including those for patron capacity or occupancy loading, licensee details, various penalties for serving minors or intoxicated patrons, evacuation plans, trading hours and business registration.

The extent of government signage requirements has forced many venues to abandon voluntary signage initiatives such as advice on dress codes and broadcasting schedules due to the inability of patrons to find the information among the signage clutter.
Sign Inspectors

The licensed hospitality industry is already one of the most highly regulated sectors of the Australian economy, and implementing Recommendation 25 would add another burden of compliance on businesses without generating any worthwhile public health outcomes.

The industry is concerned about the potential for technical breaches (i.e., size of signage font, distance from cash register etc.) overenthusiastically or vexatiously imposed by inspectors sent to venues by state/territory health departments with no appreciation for the demands of operating a service-based business.

Adopting this recommendation would be an act of empty symbolism not justified by any of the substantial amounts of available evidence from around the world, and would subject the licensed hospitality industry to costly regulation and an additional compliance burden.

6. Can you suggest alternative solutions to the problems that the recommendations seek to address?

Targeted interventions have proven to be most effective in achieving behaviour change, especially amongst ‘at-risk’ groups, because they minimise problem behaviour and maximise the benefits of moderate consumption.

We make the following recommendations:

1. Build on the existing DrinkWise investment and achievement and create a true partnership between government and industry by providing support and increased funding.
2. Devise a government sponsored package to promote understanding of standard drinks as a core part of an education strategy.
3. Explore extended barcode labelling as an efficient means of providing additional information to consumers.
4. Develop a few specific ‘greenfield’ ideas to target poor behaviour that are (a) in the National Drug Strategy and (b) supported by public opinion as shown in the National Drug Survey. Amongst these we would consider a focus on brief interventions by GPs and reducing recidivism amongst drink drivers.
5. Leave on-premise signage as a state-based issue, and not part of this response.
6. Publicly release the FSANZ 2009 report provided to the Blewett Review and Food Regulation Ministerial Council

Effective behavioural change

Effective behavioural change has always been led by Government-funded community awareness programs and specific targeting of messages and assistance to ‘at-risk’ groups.

- Behavioural change towards safer sex practices were a combination of ‘grim-reaper’ government advertisements and sex education in schools.
Behavioural change towards wearing seatbelts was a combination of government advertisement, together with police enforcement.

Behavioural change towards improved recycling was a result of the Government educating consumers to look for the recycling symbol and working with local councils to collect materials that carry the logo.

The alcohol industry itself is seeking to drive behavioural change through the DrinkWise initiative. We strongly urge the Government to consider providing funding for the work that DrinkWise does as part of a multi-faceted health campaign.

**Standard Drinks**

Despite the industry's best efforts, the public still has little understanding of the concept of a standard drink. In the latest *National Drug Strategy Household Survey*:

- Excluding those who did not know, 69.6% of risky-drinking males over 14 incorrectly identified the number of standard drinks they could consume on a single occasion
- 78.3% identified more than 4 standard drinks
- 21.7% identified less than 5 standard drinks
- The majority of males drinking at low risk levels over a lifetime correctly identified 1-2 standard drinks daily without adversely affecting their health
- The majority of those who drink at risk of harm believed over the long-term and on single occasions believed they could drink more than 2 standard drinks without damaging their health.

Before taking industry down a path of high-cost compliance and graphic warning labels, we encourage the Government to fulfil its promise from 1995 and deliver a public education campaign in support of standard drinks messaging.

The views of the Ministerial Councils from that day still ring true as standard drinks can “inform consumers in an easily understood way as to the alcohol content of beverages” and “deliver benefits in public health and safety”21 and that it “would further enhance existing and proposed public education campaign based on the standard drink concept”22.

**Government talking directly to consumers**

Approaches advocated by anti-alcohol activists in which the Government seeks to go through industry to ‘talk’ with consumers will not work because they ignore the fact that drinking behaviour is determined by social expectations, and social expectations take time to change.

We believe there is a more direct way to do so – in line with the Government’s approach during the election and the binge-drinking initiatives. That is, speaking directly to consumers through the ‘non-shaded’ areas of the following issues table that target high-risk drinkers. The original

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21 Ministerial Council on Drug Strategy, 1995
22 A Guide to meeting the new standard drink labelling requirement for alcoholic beverages, National Food Standards Council, 1995
Preventative Health Taskforce discussion paper showed community support for such an approach.

### Focus on Industry Behaviour

- Product integrity & safety (inc. labelling)
- Outlet density
- Licensing restrictions
- Advertising restrictions
- Taxation

### Focus on Consumer Behaviour

- Drink driving
- Primary health care (inc. GPs)
- Other brief interventions
- Targeting high-risk sub-groups: teenagers (and their parents), pregnant women, sports clubs, indigenous, etc.
- Pharmacotherapies

#### Targeting at-risk groups

'At risk’ groups in a population behave differently to the 'not at risk' groups\(^{23,24,25}\). They have specific problems requiring targeted campaigns and programs that tackle the specificities rather than the generalities.

Primary health care providers, State and Federal governments and NGOs have identified that better and more education, training and tools are required to instigate these brief interventions and this approach needs to be supported. Some examples of effective interventions are provided in Appendix 5.

#### Liquor accords

The industry notes the success of many local liquor accords across Australia in addressing local community concerns involving alcohol. These are voluntary initiatives involving liquor licensees and interested stakeholders (including businesses, school groups, police and residents) in a local

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area who come together to agree on cooperative actions in response to specific local issues or concerns.

The experience of the industry is that these sorts of initiatives are most effective in achieving desired behavioural change in comparison to the broad-brush approach of uniform regulation being imposed.

Better policies for FASD

Blanket warnings and recommendations for total abstinence by pregnant women serve little purpose. The current effort and energies being expended by governments and NGOs should be redirected to address specific and targeted education through GPs, obstetricians/paediatricians, and community health centres.

Primary health care providers play a pivotal role in providing pregnant women and those planning a pregnancy with advice, counselling, treatment and referral as appropriate. This strategy has unanimous support among the American College of Obstetricians and Gynaecologists, the American Academy of Paediatrics, the US Office of the Surgeon General and the US Department of Health and Human Services.

Examples of successful interventions during pregnancy are included as Appendix 6.
Section 2: Nutrition and energy content

The Blewett Review makes the following recommendations on nutrition and energy content in relation to alcohol and raises a number of questions for discussion and input.

Recommendation 26: That energy content be displayed on the labels of all alcoholic beverages, consistent with the requirements for other food products.

Recommendation 27: That drinks that are mixtures of alcohol and other beverages comply with all general nutrition labelling requirements, including disclosure of a mandatory Nutrition Information Panel.

Recommendation 55: That any beverages containing alcohol be exempt from nutrition-related front-of-pack labelling requirements.

The following six specific questions are raised for discussion. We have answered the first five together generally under relevant headings. The sixth is answered separately.

1. If the recommendations were accepted, how could they be implemented, and what are the likely outcomes?

2. What issues need to be explored from an industry/public health perspective when considering these recommendations?

3. To what extent is there support for the declaration of nutrition information on a mandatory basis on the labels of alcoholic beverages, including the declaration of energy content?

4. What reasons might there be to exclude alcoholic beverages from the requirement to declare nutrition information?

5. To what extent is there support for the exemption of alcoholic beverages from any nutrition-related front of pack labelling scheme?

6. Can you suggest alternative solutions to the problems that the recommendations seek to address?
The need for evidence-based policy

We believe that in relation to labelling alcohol should continue to be regulated as a food, although such regulation should reflect the different characteristics of alcohol as compared to other food products. This means that the existing differential in labelling requirements should continue to apply.

Standard beers, wines and spirits typically contain very little fat, sugar or salt. The Blewett Review recognised that traffic warning labels on alcohol would mostly be green and as such recommended excluding alcohol from the requirement. In other words, it recognised that alcohol is different from other foods.

We do not believe that calorie and nutrient information may constitute a material factor in most consumers' decision to purchase alcohol.

Case Study of the Evidence Used in Blewett

Recommendation 26 concerns ‘energy’ labelling but the data is very unreliable.

Beer is consistently the highest volume of alcohol product sold in Australia. So it serves as a good case study in considering this recommendation.

The first task for assessing potential regulation is “establishing a case for action before addressing a problem” and it is difficult to see why beer’s extremely low energy levels (compared to most other regular foods) would deserve any consideration in competition with other messaging on the very limited space of a beer label.

Even a cursory glance at FSANZ’s online NUTTAB database supports this view. The NUTTAB database is also very unrepresentative for beer – and it is highly likely that the low energy content of beer recorded there is overestimated.

In the case of beer, FSANZ’s NUTTAB database tells us that the majority of nutrients for lager beer, the biggest selling style by far “…were derived from a composite sample of 4 brands of Australian bottled or canned beer labelled as lager, purchased in Adelaide in 1990.26”

At the time, the average alcohol content of a lager may have been 5% abv, but it is now 4.6% abv. This is statistically significant as a percentage change and it would be drawing a long bow indeed to consider that there was any ‘case for action’ based on twenty-one year old data from just one regional city.

Although the Labelling Logic report acknowledges that alcohol is a very minor contributor to adult energy intake (at point 4.8.2 of the report) they nonetheless recommend energy labelling. And they do this on the basis of a single, sixteen year old paper which, in the above example, is based on even older data sets which are no longer representative. This is not an evidence based approach.

Consumer Evidence

High levels of total fat, saturated fat and cholesterol in diets are linked to increased blood cholesterol levels and a greater risk of heart disease. Therefore, an understanding of consumer use of nutritional information on food labels is important to determine their effectiveness for public health policies.

Psychology literature shows a negative association between intakes of total fat, saturated fat and cholesterol and probability of search for their information on food labels. Health behaviour theories also suggest perceived benefits and costs of using labels and perceived capability of using labels are associated with the search behaviour. This was recently tested and results suggested that search for total fat, saturated fat, and cholesterol information on food labels is less likely among individuals who consume more of the three nutrients, respectively, i.e.: the ‘at-risk’ group (overweight Australians) do not search for nutritional information on food.

We do not believe that calorie and nutrient information may constitute a material factor in most consumers’ decision to purchase alcohol.

Evidence-based example – United States
On January 27, 2008 the Californian wine Institute submitted to the US Taxation and Trade Bureau (TTB) on Notice No. 73, Labelling and Advertising of Wines, Distilled Spirits and Malt Beverages. They note that Nutrition Labelling and Education Act of 1990 ((NLEA) has been in existence since 1990. ‘Since NLEA took effect, consumers have been the recipients of a $2 Billion revamping of food labels, yet “during the past 20 years there has been a dramatic increase in obesity in the United States.” This is consistent with observations internationally and we would question the effectiveness in nutrition labelling in dealing with the obesity problem.

A further example is provided in Europe, when the issue of nutritional and ingredient labelling was under consideration, Director-General Sanco (General Directorate for Consumers Health) published research on consumer behaviour. The research reports “that wine is regarded as a product close to nature and Terroir” of “pleasure and taste” (...) with a strong cultural dimension which largely escapes the concerns expressed by consumers concerning other foods as regards health, dietary information etc.”.

The report also stated that nutritional value for alcohol “is an absolutely pointless criterion”.

A number of documents prepared by the European Commission relating to the Proposal for the Regulation of the European Parliament and of the Council on the provision of food information to consumers provide a large amount of information in the European context relating to this issue.

Alcohol is referred to as ‘empty’ calories, as they do not contain appreciable amounts of any nutrients.

In general consumers who are interested in ingredients understand the use of INS code numbers and the like, and/or have done their research into the issues of concern to them.

Public health evidence

**Obesity**

Whether the increase in energy intake due to ingestion of alcohol is a risk factor for obesity is controversial. Despite widespread belief that alcohol intake contributes to the risk of obesity, the data emerging from a large number of epidemiological studies is contradictory, and on balance suggests that moderate alcohol intake may actually be associated with reduced risk of weight gain and consequent obesity unless the alcohol is consumed through binge-drinking; the key is the total amount of alcohol consumed.

Approximately one third of epidemiological studies on alcohol and body weight suggest that there is a positive correlation between alcohol consumption and body weight, one third found a negative correlation and one third found no association at all\(^{28, 29}\).

A recent review\(^{30}\) of 31 publications that were selected on the basis of relevance and quality of design and methods found that heavy drinkers are likely to put on weight, but those who enjoy regular moderate consumption do not gain weight and in low levels may even lose weight.

Statistical analysis of the relationship between alcohol intake and body weight (body mass index), however, should not be used to determine whether the calories or energy from alcohol ‘count’ or ‘do not count’ towards body weight due to the limited contribution of alcohol to total energy intake.

**Diabetes**

Other research has suggested that moderate drinkers are at 30% lower risk of developing diabetes, and that even obese people should not abstain from alcohol for this reason. Recent evidence suggests, however, that alcohol consumption may be a potentially modifiable risk factor for type 2 diabetes mellitus and a J-shaped relationship has been observed between level of alcohol consumption and risk of developing diabetics in men and women\(^{31, 32, 33}\).

The risk of developing type 2 diabetes mellitus was observed to be most reduced for women when their daily consumption was between 15.0 to 29.9 g of alcohol\(^{34}\). Indeed, as in the general

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population, there is also a decrease in cardiovascular risk with mild-to-moderate alcohol consumption in type 2 diabetics.\textsuperscript{35, 36}

Scientific Evidence

Epidemiological studies which suggest otherwise that alcohol-derived energy 'does not count' are not supported by the measurement of alcohol-induced thermogenesis, which indicates that the thermic effect of alcohol is intermediate between that of carbohydrate and fat (>5–10%), and that of protein (20–30%).

The magnitude of the thermogenic effect is dependent, however, on the amount of alcohol consumed, where approximately 80–85% of the alcohol-derived energy is utilised by the body for healthy non-alcoholic consumers. In addition, when alcohol is consumed with a meal it becomes the priority substrate and temporarily displaces carbohydrate and fat from oxidative metabolism in the liver.

Since there is a maximum oxidation rate for alcohol of approximately 0.1 g/kg (0.7 kcal/g) fat-free mass per hour, only about 50% of the resting energy expenditure can be covered by alcohol oxidation and substantially less if this is related to total energy expenditure, which includes physical activity. This implies that, potentially, alcohol can temporarily and transiently spare the oxidation of other substrates up to a maximum level of 50% the resting value.

This contrasts with the effect of carbohydrate consumption on carbohydrate utilisation, which can be highly modulated and which can contribute, even post-absorptive, approximately 100% of the energy expenditure following supra levels of glycogen stores consecutive to massive carbohydrate loading.

Alcohol consumed in addition to a normal diet is expected to lead to fat storage since it spares fat from oxidation, but this will be associated with a lower weight gain in bodyweight than when carbohydrate is stored as glycogen, such as excessive carbohydrate consumption, due to the significant difference in energy density of fat (9 kcal/g) versus the glycogen–water pool (1 kcal/g).

Imposts and challenges for industry

While beer, wine, cider and spirits all have legal definitions, it is important to note that within each category there is no fixed recipe. The end-product changes from one producer to another and from one year to the next. The majority of substances authorised in winemaking, brewing or distilling are already present in the product. In the case of wine, it is a fermented product and its composition evolves with time and ageing, even after bottling.

Wine Example – the case against Blewett Review Recommendation 12
Due to climatic conditions in Australia winemakers often add naturally occurring organic acids, whereas in Europe, sugars are frequently added. Both these substances are naturally occurring, but if a bottle from each jurisdiction was put side by side, the consumer would believe that the bottle which says tartaric acid added was the only one to contain tartaric acid; and the bottle which states sugar added was the only one to contain sugar. Clearly this is a nonsensical situation.

Nutrition Panels

The alcohol industry does not believe that people seeking to purchase and consume alcohol have a strong degree of interest in the nutritional value of the products. The essential information is the amount of alcohol, the active ingredient in all alcohol products.

Inclusion of nutritional information panels has the strong potential of crowding out the essential information on product labels: the number of standard drinks.

Nutritional information panels are used by the ‘worried well’ consumers, who actively seek out such information to further enhance their already good health, and generally do so one single time only. The industry strongly suggests that for those consumers seeking nutritional information, the use of websites and other innovative means should be supported and allowed.

Alcohol products do not make up a large part of the diet of most Australians; hence its nutritional impact is minor. Those Australians who drink heavily (therefore the nutritional impact would be significant enough to justify labelling) do not appear to have any interest in the nutritional impact of their consumption. Given this, the intention of this recommendation and the likely benefits of nutritional information panels has to be seriously questioned.

The Blewett Review recommendation also ignores a key feature of alcohol products: that they are well known and long-established product types. Beer and wine have been consumed for thousands of years, and distilled spirits for several centuries. In short, people have a very good pre-existing knowledge of what’s in the bottle. Australians are also well aware of the effects of consumption and over-consumption, therefore it is hard to discern the improvement in knowledge and behaviour that nutritional labels could credibly be expected to bring about.

A requirement to include nutritional panels would require analyses for nutrition values and would create widespread production disruptions and add significantly to operational costs.

Most wines and ciders are inherently variable in composition and are not made to a fixed recipe. Alcohol and residual sugar levels vary significantly among styles, from year to year, between regions and from batch to batch. Winemakers adjust wine blends to meet wine style targets, often right up to time of bottling.

Accordingly, mandatory nutritional labelling has the potential to impose severe financial and logistical burdens on the industry.

Multiple label modifications will eliminate economies of scale in printing.

The proposed NIP will require significant space on the bottle, devouring precious real estate used by alcohol producers to differentiate themselves from other producers with similar products.

The industry submits that labels are important promotional tools for alcohol producers, and that this aspect has not been given sufficient consideration by the Blewett Review.

Example: Additional Cost Burden for Wine Industry

Wineries would be required to analyse each lot of wine just prior to bottling to ensure the elements of the nutritional panel lay within the tolerances specified.

Testing for a Nutritional Information Panel range from $200 - $250 per sample.
Testing for energy content is approximately $70.

Assuming a cost of $270 per sample, a medium sized winery performing 500 pre-bottling analyses per year would incur an additional and ongoing cost of $135,000.

The total cost estimate for the wine industry is $9 million

Variability presents enormous challenges and potentially daunting costs to wineries, especially small wineries that might have to spend thousands of dollars to have nutritional testing done.

As every wine, vintage and year is different, this quickly becomes a significant red tape burden to provide information that is not being sought by consumers in the first place.

Trade and market access

Front-of-pack labelling has been under consideration in a number of jurisdictions. The European Union has just rejected this concept, and Australia would do well to look at the reasons for this decision.

Australia must also pay heed to its international obligations, specifically concerning wine labelling and that any domestic labelling changes need to take these into account. These include:
- 2008 Australia - European Community Agreement on Trade in Wine (Wine Agreement)
- Agreement on Mutual Acceptance of Oenological Practices
- Agreement on the Requirements for Wine Labelling

It should also be noted that any changes to labelling regulation should take into account international standards established by Codex Alimentarius Commission to minimise the risk of a dispute under the Technical Barriers to Trade Agreement of the World Trade Organisation rules.

If Australia does adopt new labelling regulations, supported by sound scientific evidence, then they should take this information forward to the Codex Alimentarius Commission and seek to amend the international labelling standards to minimise disruption to international trade. To not do this would introduce considerable cost to producers and consumers.

It is also worth noting transition arrangements need to be quite generous. For example, when Australia introduced allergen labelling for wine they gave a two year phase-in period and grandfathered any product already labelled at the time of the legislative change in recognition of the long shelf-life of the product and the quantities that appear on the secondary market.

On-Premise

A significant proportion of alcohol sold in Australia is on-premise and not within a container. This means any public health justification for including NIP and energy content is totally lost to a proportion of consumers.

As highlighted in the previous section, imposing NIP and energy content advice in on-premise serving situations is extremely problematic.
Per serve advice
It is also unclear what value there is in showing energy content or NIP information on an average serve basis.

At what level is an average serve set?
- A schooner, middy, or pot of beer
- A cellar-door tasting, restaurant pour of wine, standard drink pour, or FZANZ 100ml analysis
- A single nip, a double nip, an Australian nip or an American nip

Averaging
It has been suggested that instead of testing every product, a statement of the average energy content or NIP for a product could be used. In addition to the problems of per-serve advice above, averaging is also challenging due to the significant differentials in alcohol by content.

- Beers range from 2.5% light right up to 15% plus for some Belgian beers
- Wines range from 4.5% up to 18% and then into fortifeds
- Spirits can vary from RTDs of 3.5% up to 54% ABV for cask-strength whisk(e)y.

This creates significant problems about misleading consumers. For example, using an average energy content for a wine of 13%, would severely misleads a consumer drinking a 4.5% Moscato or a 16% Shiraz.

Marketing opportunities
Some producers consider there is a marketing opportunity for nutritional claims on their product.

We recognise that a number of producers do label for low calorie or low carbohydrate for certain specific product lines. In these cases, we accept the need to put on a nutritional panel according to the horizontal regulations in the Food Standards Code.

For consumers who do wish to know the nutritional impacts of alcohol, the alcohol content via standard drink provides a good general guide.

We believe that concerned consumers can easily access this information via the internet. FSANZ could give consideration to enhancing nutrition guidelines on their website and become the point of first contact for consumer information on these industry-wide issues.

Alternatively, FSANZ could liberalise the information requirements for nutritional information on the internet, and not require matching information on product labels. This would enable more information on the internet, and would allow the motivated ‘worried well’ to seek out the information for the single time they seek it.

This is discussed further below.
6. Can you suggest alternative solutions to the problems that the recommendations seek to address?

Concerned consumers take necessary steps to inform themselves about products they are consuming or are considering consuming and it is clear that they will generally only reference an NIP on the first purchase occasion only.

As such, it makes greater sense for the consumer to get this information from a source other than the label, rather than continue to tell a nutritional story that no one is reading.

FSANZ

FSANZ’s website already provides a wealth of consumer information about all products and additives and their nutritional information:


The Australian Government could use this site more effectively in its “Measure Up”, “Swap It Don’t Stop It” and “Healthy Active” campaigns and make it an available resource for the proposed national hotline. State Government could also use it with their own jurisdictional campaign on obesity.

Extension activities could also occur with nutritionists, doctors, and health care professionals as to the value of the site.

Extended barcoding

The use of GS1\(^{37}\) standards, particularly in the area of barcoding, has been in widespread use throughout the liquor industry in Australia and throughout the world for a number of years. As in the grocery industry, barcoding started at the consumer unit and then moved to carton level for warehousing and logistics purposes.

Today, the major retailers are now focusing on implementation in three key areas.

- Barcoding of logistic units. These logistic unit labels contain a unique reference number known as a Serial Shipping Container Code (SSCC).
- Electronic messaging to replace traditional ordering methods such as phone/fax, and are progressively engaging their suppliers in a roll-out program.
- GS1net\(^{TM}\) a data synchronisation catalogue service designed by industry, for industry, and has been successfully adopted by the Australian Food and Grocery industry. GS1net is a secure, industry wide catalogue that allows trading partners to share real-time pricing and product information, from alcohol content and taxes, through to digital pictures of products.

\(^{37}\) http://www.gs1au.org
It is the next phase of GS1net that holds great promise in providing a wealth of information for consumers.

Mobile devices or in-store readers allow the consumer to access a great deal of information about the product than what can be typically conveyed on a label.

From industry marketing point of view this allows us to suggest what food would go well with a particular beverage or to tell more about the person who crafted the product.

From an industry consumer point of view, it allows us to provide existing information (e.g.: allergens) in a variety of languages, but also provides an opportunity communicate information such as the environmental sustainability of the product or a website link to Food Standards Authority for a typical nutritional analysis.
Appendix 1: Why Labelling Won’t Change Behaviour

The personal experiences affecting judgments of personal risk, motivations for high risk behaviour and the individual pharmacological and physiological properties of, and responses to, alcohol, all make the design of warnings that are effective with these individuals difficult.

Young People

Young people, for example, who are an ‘at risk’ group, may have difficulty in judging or perceiving risks associated with alcohol consumption. This is because if an event has not occurred to an individual, and he/she cannot associate it with a certain risk, then the individual may perceive that the risk may not occur in the future—that is, the risk is not related or relevant to them personally. Also, ‘at risk’ individuals apparently give greater weight to uneventful experiences with alcohol interpreted to indicate that it carries low risk.

Indeed, the possibility that there are different reasons and motivations for high-risk behaviour makes it difficult to target messages to these individuals. Heavy alcohol consumers also perceive the risk of alcohol-related harm as low and as less believable than do light alcohol consumers.

In short, targeted sub-populations need targeted responses to change behaviour.

For example, school-based prevention programs that have been tested and proven effective focus on building alcohol and drug resistance skills, general self-regulation and social skills, and/or changing normative expectations regarding inaccurate beliefs about the high prevalence of alcohol and other substance use. The most effective programs are highly interactive in nature, skills-focused, and implemented over multiple years.

Results from a relatively recent ethnically diverse sample of US high school students involved in a multi-media, peer-reviewed educational presentation designed to reduce the incidence of FAS, demonstrates that while the presentation increased participant’s knowledge regarding FAS, it had no effect on participants’ attitudes, beliefs about the potential harms of consuming alcohol whilst pregnant or, importantly, their intention to consume alcohol whilst pregnant.

38 Patterson LT, Hunnicutt GG, Stutts MA (1992) Young adult’s perceptions of warnings and risk associated with alcohol consumption. J. Public Policy Market 11:96-103
Results from a study of both US and Australian college/university students, demonstrates that
young Australian women perceive less risk associated with consuming alcohol whilst pregnant
than young American women, and in particular for low levels of alcohol consumption\textsuperscript{44}.

Less risk is also perceived by both Australian and American young women binge drinkers. This
statistic is particularly relevant as one of the ‘at risk groups’ for having an alcohol-affected child is
heavy alcohol consumers in either continuous or binge pattern.

Furthermore, health consciousness is also not related to either moderate or heavy alcohol
consumption such that health conscious individuals are not more likely to accept health warning
labels\textsuperscript{45}.

**Drink Driving**

Looking at the Collins and Lapsley social costs, we find that the majority of the ‘costs’ attributed to
alcohol relate to road accidents – through loss of life, hospitalisations, (the pain and suffering of
friends and family), police, insurance. It is unclear the rationale or evidence used by health
advocates who expect behavioural change to occur by placing a warning label promoting safer
drinking on a bottle of alcohol.

To put this into context, the US introduced “Consumption of alcoholic beverages impairs your
ability to drive a car or operate machinery, and may cause health problems” on labels in 1988.

Research results indicate that the ‘at risk’ group of drink drivers recalled readily the warning label,
however, their recall had no significant effect or impact on the risk assessment of, for example,
driving after consuming two or more alcoholic drinks. Additionally, this group considered that drink
driving was less risky than the general, ‘not-at-risk’ public\textsuperscript{46}. Other research indicates that the
perceived level of risk associated with drink driving decreased following the introduction of the
warning label\textsuperscript{47}.

Considering that there wouldn’t be an Australian who doesn’t already realise the implications of
driving whilst intoxicated as a result of highly successful public awareness campaigns, it is quite
unclear how the addition of a warning label will somehow stop a person getting in their car and
driving while intoxicated.

Putting a warning label on an alcoholic beverage will not change these behaviours. While
awareness of consumers may increase with the exposure to health warning labels, the beliefs
and behaviour of consumers, and in particular ‘at risk’ groups, will not be affected.

\textsuperscript{44} Creyer EH, Kozup JC, Burton S (2002) An Experimental Assessment of the Effects of Two Alcoholic
Beverage Health Warnings across Countries and Binge-Drinking Status. Journal of Consumer Affairs
36:171-202

\textsuperscript{45} DeCarlo TE, Parrott R, Rody R, Windsor RD (1997) Alcohol warnings and warning labels: an
examination of alternative alcohol warning messages and perceived effectiveness. Journal of Consumer
Marketing 14:448-462

\textsuperscript{46} Parker RN, Saltz RF, Hennessy M (1994) The impact of alcohol beverage container warning labels on
alcohol impaired drivers, drinking drivers and the general population in northern California. Addiction
89:1639–1651

findings. Alcohol Health Res. World 17:67-75
Public Health Industry’s Hypothesis that warnings change behaviour is false – Alcohol Example

Despite an increase in awareness of, and memory or recognition for, the alcohol warning labels, over the past two decades since its introduction in the USA, there has been no demonstrable effect of the warning on risk perception48 49 50 51 52.

Similarly, changes in alcohol consumption behaviour attributable to the health warning labels have not yet been observed53 54.

Although young (women) adults, Indigenous alcohol consumers and heavy alcohol consumers, which are identified as ‘at risk’ groups, are more aware, they disbelieve and discount such information, and are less likely to modify their pattern of alcohol consumption than ‘not-at-risk’ consumers55 56 57 58 59 60.

Thus, although the groups most ‘at risk’ and ‘in need’ of adopting the information of the alcohol warnings are aware of, and can recall, the information in warning labels, they are, however, the least likely to accept the warnings.

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Appendix 2: An example of awareness versus behavioural change – USA FAS

If the primary purpose of the labelling is to decrease risky alcohol consumption during pregnancy then data from the USA suggest this purpose will not be met. Data collected and collated from the USA, where labelling was introduced in 1988, and that from cigarette smoking labelling in Australia and the USA, demonstrated that the labelling will not effect and decrease risky consumption, in particular that of the ‘at risk’ groups identified.

In the USA, risky alcohol consumption by these ‘at risk’ groups has remained static or increased. The incidence of FAS in the USA since the introduction of labelling in 1988 has also remained relatively static, although the awareness of the label and risk has increased.

One year following inclusion of the health warning labels for alcoholic beverages in the USA, there were increases in the awareness, exposure and recognition memory of the general public; this change was slow to grow.

Exposure, however, was inconsistent across populations, where 6 and 18 months after their introduction, men, 18–29 year-olds, heavy consumers and the tertiary educated had more likely seen the labels than the other populations groups. Even 50 months after their introduction, women older than 29 years were less likely to have seen the warning labels.

From these initial studies, however, there were no significant or substantial positive changes in actual or intended behaviour regarding the consumption of alcohol, or in the attitudes, beliefs and perceptions about the risks described on the warning labels.

Furthermore, the general public who consumed a chronic heavy amount of alcohol, that is, one of the groups ‘at risk’, believed that there was less risk associated with the consumption of alcohol than those who abstained, or consumed a light or moderate amount of alcohol.

In addition, data from a study of African Americans, that is, another ‘at risk’ group, showed also that while awareness changed, behaviour did not. Indeed, the decrease in maternal consumption was relatively minor (approximately a half to one drink per week, an amount which would not be expected to influence their pregnancy) and did not impact on the heavy consumers.

A subsequent study of pregnant urban Native and African Americans showed that although frequently exposed to the warning labels, only 20% knew that FAS was related to alcohol consumption and all were uncertain about the actual consequences of FAS, or about the value of reducing intake at any time during pregnancy.

The results from these subsequent studies are consistent with initial studies which suggested that women ‘at risk’ were less responsive to media/promotion campaigns. This implies that targeted education efforts are required for the ‘at risk’ group.

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Appendix 3: International wine regulatory landscape

1. Australia – European Community Agreement on Trade in Wine

The Australia – European Community Agreement on Trade in Wine signed in Brussels on 1 December 2008 is a formal international agreement that regulates the trade in wine between Australia and the European Community. The agreement guarantees and improves access for Australian wine producers to our largest wine export market – Europe.


Under the EC/Australia Bilateral Wine Agreement, which came into effect on 1 March 1994, Australia gained improved access to the EC market through the lowering of technical barriers to Australia's wines in return for the Australian wine industry phasing out its use of European geographical indications. The use of some names such as Hock and White Bordeaux is being phased out and further negotiations will be held to establish phase-out arrangements for European names in widespread use in Australia such as Chablis and Champagne.

The Australian industry will in future use varietal, regional and brand names to market its wines. There will also be a need to develop replacement names where protected EC names have entered into common use, such as Sherry. In effect, the Agreement is the finalisation of negotiations on outstanding issues from the initial Agreement, especially on GIs and traditional expressions (TEs).

The main changes arising from the Agreement are:

- European recognition of an additional 16 Australian winemaking techniques
- simpler arrangements for approving winemaking techniques that may be developed in the future
- simplified labelling requirements
- protection within Europe for Australia's 112 registered GIs
- wholesalers will have five years to sell stock labelled with an EC GI and retailers will be able to sell all their stock and defined use of a number of quality terms used in the presentation and description of wine.
- Australian protection of more than 2,500 registered European GIs; including from member states who have joined the EC since 1994; Australian protection of 12 sensitive European GIs that have previously been used to describe Australian wines
- Prohibition on Australian producers from using a range of European TEs in the language specified in the agreement and to phase out the use of the term “Tokay” to describe Australian fortified wines within 10 years.

**Australian Wine and Brandy Corporation**

The Australian Wine and Brandy Corporation (AWBC) is a statutory authority established under the Australian Wine and Brandy Corporation Act 1980 (as amended) (the AWBC Act). It was formed in 1981, succeeding the Australian Wine Board which was originally set up in 1929.
The objectives of the Australian Wine and Brandy Corporation (AWBC) are set out in Section 3 of the *Australian Wine and Brandy Corporation Act 1980* (as amended). (1) The objects of this Act are:

a) to promote and control the export of grape products from Australia; and
b) to promote and control the sale and distribution, after export, of Australian grape products; and
c) to promote trade and commerce in grape products among the States, between States and Territories and within territories; and
d) to improve the production of grape products and encourage the consumption of grape products, in the Territories; and
e) to enable Australia to fulfil its obligations under prescribed wine trading agreements; and
f) for the purpose of achieving any of the objects set out in the preceding paragraphs:
   - to determine the boundaries of the various regions and localities in Australia in which wine is produced; and
   - to give identifying names to each of those regions and localities; and
   - to determine the varieties of grapes that may be used in the manufacture of wine in Australia.

The AWBC has a specific responsibility for controlling labelling (including presentation, description and advertising as related to label claims for vintage, variety and region). These include mandatory country of origin declarations for the origin of the grapes.

**Label Integrity Program**

The wine industry LIP was introduced in the *Australian Wine and Brandy Corporation Amendment Act 1989*. The LIP has its origins in the first (1981–82) and second Annual General Meetings of the AWBC. At these forums, the wine industry gave the AWBC permission to recommend to the Minister that legislation be enacted for an industry wide system of record keeping to substantiate label claims in respect of vintage, variety and region of origin. The permission and subsequent recommendation stemmed from concerns within the industry over a number of scandals in New South Wales involving wine additives and the potential effect that further scandals could have on wine exports.

The regulations covering the LIP require winemakers to keep records to substantiate label claims and are set out in the AWBC Act (Part VIA, sections 39A - 39ZL). The LIP was introduced for the 1990 vintage and is now the basis of the Australian label-claim system in respect of vintage, variety and geographical indication. Winemakers are not required to make a label claim about the wine vintage, (grape) variety or region of origin of the grapes, but must keep an audit trail if they do. The LIP prescribes what events must be recorded, but not how records must be kept.

A "label claim" includes claims made on a wine label, in a commercial document or in an advertisement, about the vintage, variety or geographical indication of wine goods or of the wine goods from which they were manufactured. Generic name wines, such as Moselle, Claret, Dry Red, Dry White etc., which make no reference in a label statement as to vintage, variety or geographical indication, are not included. The Corporation's auditors monitor the industry for compliance with the LIP provisions of the AWBC Act through an audit program. Under the *Australian Wine and Brandy Corporation Amendment Bill 2010*, the Government expects that the proposed changes will achieve that objective by requiring all those involved in the production, distribution and sale of wine and grapes used to make wine, to record the specified information to ensure a traceable trail throughout the wine production process.
2. World Wine Trade Group

The WWTG is an informal grouping of wine sector representatives from wine producing countries. Founded in 1998, the group aims to share information, collaborates on a variety of international issues and endeavours to create an environment for the free trade in wine. Meetings are attended by both the Government and Industry sectors. The joint participation of government and industry representatives at meetings is designed to ensure a free exchange of information between sectors and a better understanding of issues being discussed.

The Group is an informal one with a rotating Chair. Membership of the group includes Australia, Argentina, Canada, Chile, New Zealand, South Africa, and the United States. Georgia is currently being considered for membership and observers from Brazil, Uruguay and Mexico have also participated in the group.

Amongst the major achievements of the World Wine Trade Group have been two treaty level agreements with implications and obligations relating to wine labelling: Mutual Acceptance Agreement on Oenological Practices Early discussions at the World Wine Trade Group identified the possible threats to trade that arose from differing national rules on oenological practices. At the first Zurich meeting it was agreed that such differences should not be a basis for erecting technical barriers to trade.

From this point it was agreed to develop a Mutual Acceptance Agreement on Oenological Practices. The text of the Agreement was first discussed in Santiago, Chile in October 1999 and was further refined at the subsequent meetings.

The text of the Agreement, which has full treaty status, was signed in Toronto, Canada in December of 2001 by Australia, Canada, Chile, New Zealand, and the United States. Argentina became a signatory in December of 2002.

The text of the agreement is available in English, French and Spanish. The US Government is the repository for the Agreement which can be found on the following website:

http://www.ita.doc.gov/td/ocg/wwtg.htm

The Agreement is a landmark in the development of international trade. It is the first plural-lateral Mutual Acceptance Agreement, in any field, fully compliant with the WTO's Technical Barriers to Trade Agreement.

In simple terms the Agreement accepts that there are historical differences in national rules governing oenological practices, but signatory countries accept that wine made in another signatory country should be allowed to be sold in its market, despite these differences in oenological practices. Market access is, however, conditional on compliance with the WTO obligations to protect the health and safety of consumers and to prevent deception of consumers.

The Agreement is founded on WTO principles, and exceptions to the generally permitted access are WTO consistent.

Labelling Agreement

On January 23, 2007 the World Wine Trade Group (WWTG) participants welcomed the signing of their Agreement on the Requirements for Wine Labelling in Canberra, Australia.

This far-reaching Agreement enables wine exporters to sell wine into WWTG markets without having to redesign their labels for each individual market. It allows the placement of four items of
mandatory information (country of origin, product name, net contents and alcohol content) anywhere on a wine bottle label provided they are presented in a single field of vision.

The Agreement reduces costs relating to the production, application and warehousing of labels. Savings achieved by this Agreement provide a competitive advantage and opportunities for further export growth to WWTG participants. The Agreement also brings benefits to consumers who are able to easily locate important items of information on the bottle in a single field of vision, allowing them better to compare between wines and brands.

The US Government is the repository for the Agreement which can be found on the following website:


3. Codex Alimentarius Commission

The Codex Alimentarius Commission was created in 1963 by FAO and WHO to develop food standards, guidelines and related texts such as codes of practice under the Joint FAO/WHO Food Standards Program. The main purposes of this Program are protecting health of the consumers and ensuring fair trade practices in the food trade, and promoting coordination of all food standards work undertaken by international governmental and non-governmental organizations.

There is no specific wine standard within Codex, but horizontal standards are of course relevant. The OIV is an observer of CODEX.

4. OIML

The International Organization of Legal Metrology (OIML) is a worldwide, intergovernmental organization whose primary aim is to harmonize the regulations and metrological controls applied by the national metrological services, or related organizations, of its Member States.

The two main categories of OIML publications are:

1) **International Recommendations (OIML R)**, which are model regulations that establish the metrological characteristics required of certain measuring instruments and which specify methods and equipment for checking their conformity; the OIML Member States shall implement these Recommendations to the greatest possible extent;

2) **International Documents (OIML D)**, which are informative in nature and intended to improve the work of the metrological services.

OIML Draft Recommendations and Documents are developed by technical committees or subcommittees which are formed by the Member States. Certain international and regional institutions also participate on a consultation basis.

Cooperative agreements are established between OIML and certain institutions, such as ISO and IEC, with the objective of avoiding contradictory requirements; consequently, manufacturers and users of measuring instruments, test laboratories, etc. may apply simultaneously OIML publications and those of other institutions.

International Recommendations and International Documents are published in French (F) and English (E) and are subject to periodic revision. Labelling requirements for pre-packaged goods (including food) are developed by the OIML Technical Committee TC 6 Pre-packaged products
and sanctioned by the International Conference of Legal Metrology. This publication – reference OIML R 79, LABELLING REQUIREMENTS FOR PREPACKAGED PRODUCTS makes recommendations on the size and placement of the ‘volume’ statement.

Trade measurement in Australia

The objectives of the OIML Convention, taken from Chapter 1 Article 1 Purpose of the Organisation from the Convention establishing OIML, do not oblige Australia to automatically adopt OIML recommendations. The emphasis is on cooperation and coordination.

The National Measurement Act (NMA) clearly states the role of the OIML with respect to Australian law. The National Measurement Act No.64 of 1960 (as amended) states:

The National Standards Commission must:
…… (d) Consult and cooperate with the International Organisation of Legal Metrology and other appropriate international organisations on matters relating to metrology.

However, its role is limited to examination and approval of patterns of measuring instruments.

Australia is not required to and has not agreed to mandatory adoption of the OIML Standards, nor does the Convention state OIML standards must be adopted by signatory nations.

The National Measurement Act also goes on to state that:

(7) Before the Governor-General makes a regulation for the purposes of subsection (1), the Minister must also either:

(a) Be satisfied that the regulation is not inconsistent with a specification published by the International Organisation of Legal Metrology regarding the examination and approval of patterns of measuring instrument; or

(b) If the regulation is inconsistent with a specification – be satisfied that:
   (i) The inconsistency is in the national interest; or
   (ii) It is not practicable to comply with the specification because of particular circumstances applying to Australia.

The national interest argument would therefore suggest that, even if the regulation is inconsistent, the Minister still has the capacity to make the regulation.

On 13 April 2007 the Council of Australian Governments formally agreed that the Commonwealth should assume responsibility for trade measurement. The transition period for the transfer of responsibility from the states and territories to the Commonwealth will be three years, with the new system commencing on 1 July 2010. We support wine being labelled according to the source of the grapes. However, we do not believe the Food Standards Code is an appropriate instrument for such a regulation. Under the Australian Wine and Brandy Corporation Regulations 1981 were passed on 7 September 2009 and under section 1.3 recognised the World Wine Trade Group Agreement on Requirements for Wine Labelling by exempting the position of a measurement marking for standard-sized wine containers.

5. International Organisation of Vine and Wine (OIV)

The International Organisation of Vine and Wine (OIV) replaced the International Vine and Wine Office was established by the Agreement of 3 April 2001.
The OIV is an intergovernmental scientific and technical organization with recognised competence for its works concerning vines, wine, wine-based beverages, table grapes, raisins and other vine-based products established in its current form in April 2001. It has a permanent secretariat located in Paris, and conducts its work through a structure co-ordinated by a scientific and technical committee and implemented by four commissions responsible for viticulture, oenology, and law and economy and health and safety.

The objectives of the OIV are:

a) to inform its members of measures whereby the concerns of producers, consumers and other players in the vine and wine products sector may be taken into consideration;

b) to assist other international organisations, both intergovernmental and nongovernmental, especially those which carry out standardisation activities;

c) to contribute to international harmonisation of existing practices and standards and, as necessary, to the preparation of new international standards in order to improve the conditions for producing and marketing vine and wine products, and to help ensure that the interests of consumers are taken into account.

These missions are laid out in a triennial strategic plan

To attain these objectives, the O.I.V's activities are:

- to promote and guide scientific and technical research and experimentation
- to draw up and frame recommendations and monitor implementation of such recommendations in liaison with its members, especially in the following areas: les conditions for grape production, oenological practices, definition and/or description of products, labelling and marketing conditions, methods for analysing and assessing vine products
- to submit to its members all proposals relating to: guaranteeing the authenticity of vine products, especially with regard to consumers, in particular in connection with the information provided on labels, protecting geographical indications, especially vine- and wine-growing areas and the related appellations of origin, whether designated by geographical names or not, insofar as they do not call into question international agreements relating to trade and intellectual property, improving scientific and technical criteria for recognising and protecting new vitivinicultural plant varieties
- to contribute to the harmonisation and adaptation of regulations by its members or, where relevant, to facilitate mutual recognition of practices within its field of activities
- to help protect the health of consumers and to contribute to food safety: by specialist scientific monitoring, making it possible to assess the specific characteristics of vine products, by promoting and guiding research into appropriate nutritional and health aspects, by extending the dissemination of information resulting from such research to the medical and healthcare profession.

There are currently 43 members including Australia and New Zealand.
Appendix 4: Briefing note – overview of issues associated with removal of batch codes ("decoding")

The liquor labelling review should consider:

- The majority of retail food products contain lot codes. These are essential to ensure products can be traced through global supply chains.

- Over recent years in the liquor sector, there have been many instances across beverage types of products being imported with lot codes removed. This is known as decoding, an act that seeks to intentionally remove, alter or substitute lot codes to limit the ability to trace the product.

- As products without lot codes are not traceable, they therefore present dangers to consumers where products are found to be defective. Product recalls require lot codes to be identified to be targeted, efficient and effective.

- Decoded products generally arrive through third party importation channels. The importation of decoded stock breaches key regulatory clauses and this should be addressed as a matter of urgency.

- Food Code Standard 1.1.1, Subclause 11.1 states that “the label on a package of food must not be altered, removed, erased, obliterated or obscured except with permission of the relevant authority”. Decoding can include all of these things.

- In addition, Standard 1.2.2, Subclause 2 states that “the label on a package of food must include its lot identification, unless the food is an individual portion of ice cream or ice confection or in small packages, and the bulk packages and the bulk container in which the food is stored or displayed for sale includes lot identification”.

- However, breaches of these subclauses of the code are not routinely or consistently enforced across jurisdictions at the point of importation or retail.

Remedies sought include:

- Amending the food code to build in clauses regarding traceability through the presence of manufacturers' lot codes.

- Ensuring a consistent interpretation of the Food Code across all Australian jurisdictions.

- Improving monitoring and enforcement of the Food Code across all Australian jurisdictions.
Appendix 5: Examples of effective interventions

FASD in US

A strategy that has shown to be effective in the USA, both in terms of cost and in decreasing risky alcohol consumption, including in 'at risk' groups, are brief interventions, that is, the screening and interviewing of pregnant women or those planning pregnancy, by primary health care providers.

Australian primary health care providers have already identified, as have the State and Federal governments and NGOs, that better and more education, training and tools are required to instigate these brief interventions and hence to prevent and reduce the occurrence of FAS/FASD.

This strategy is also included as a primary strategy for reducing risky alcohol consumption during pregnancy and the risk of the birth of an alcohol-effected child in both State and Federal governments', and NGO's plans and policies.

Scotland

The Scottish Government is taking such steps towards combating alcohol abuse through intervention (based on strong evidence supporting intervention as assisting in a reduction of alcohol consumption among harmful and hazardous drinkers).

Initially introduced in 2008-09, the Scottish Government recently committed an additional £36 million to implement a range of measures designed to help people address their excessive drinking.

The Health Secretary Nicola Sturgeon said: “Brief interventions are a key part of our strategy and they're not only clinically effective but also cost effective. By intervening early, we can maximise resources and - more importantly - save lives.

Canada

Evidence from the 2007/8 Canadian Community Health Survey (CCHS) data\(^6\), showed that brief interventions that involve GP or FP and that increase the use of GP or FP by pregnant women can be effective in reducing drinking alcohol during pregnancy.

Drug Abuse Resistance Education

An evaluation\(^6\) of the Drug Abuse Resistance Education (DARE) program was able to produce a number of statistically significant differences at the 7th grade follow-up between the DARE

condition and the control condition on measures of alcohol use. The percentage reductions in alcohol use found at the 1-year follow-up, a number of which were in the order of 70–80%. It was concluded that the program was especially helpful in reducing the prevalence of binge drinking among students who had initiated regular binge drinking by the end of the sixth grade”, and can be considered an “evidence-based” prevention practice.

Appendix 6: Successful initiatives to inform pregnant women about alcohol consumption

Validated screening instruments are available for screening pregnant and non-pregnant women of reproductive age including T-ACE, TWEAK and AUDIT\(^{64, 65}\).

Brief interventions involved one to three short (5-10 minute) sessions comprised of personal feedback on alcohol-related health problems and risk, as well as advice, options of treatment and self-help\(^{66, 67, 68, 69, 70}\). Several controlled studies have examined the effectiveness and impact of brief interventions with pregnant women, and all concur that pregnant women following the brief intervention were up to five-times more likely to abstain from alcohol completely or at least reduce their alcohol consumption from heavy to light, with improved birth outcomes\(^{71, 72, 73, 74, 75}\).

Inclusion of the pregnant woman's partner in the brief intervention improved the outcome for heavy alcohol consumers\(^{76}\). Thus brief interventions appear to be an appropriate effort to modify problematic and potentially problematic alcohol consumption and to avert its adverse consequences in at risk pregnant women or those planning pregnancy. Even for women who are not 'at risk', a routine screening provides an opportunity to discuss the health effects of alcohol consumption in a non-judgemental, health-orientated setting to convey the message that these issues are important to the pregnancy and birth outcomes.

Motivational interviewing involves more comprehensive counselling and guides the recipients to explore their ambivalence about changing behaviour while focusing on the perceived discrepancy.

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\(^{65}\) http://www.nih.gov/publications/Assessing/Alcohol/Index.htm


between current behaviours and overall goals\textsuperscript{77}. It is particularly effective in reducing the consumption of heavy consumers. For example, in a pilot study of motivational interviewing, which was an empathic, participant-centred but directed session focusing on the health of the participant's unborn baby, all participants reduced their alcohol consumption and maximum blood alcohol concentrations throughout their pregnancy\textsuperscript{78}.

Another pilot study (entitled the Project CHOICES) targeted non-pregnant women at high risk of a heavy alcohol-exposed pregnancy and hence giving birth to an alcohol-affected child\textsuperscript{79}. It consisted of four brief motivational interviews. At the six-month follow-up, 68.5\% had reduced their risk.

The impediments to implementing the screenings, brief intervention and motivational interviewing include commitment, inadequate knowledge and skills among health care providers reinforced by limited education and training in medical school and in general practice, lack of time, and system barriers such as lack of intervention tools, protocol, referral or treatment resources\textsuperscript{80} \textsuperscript{81}. These impediments have been identified by both US and Australian primary health care providers.

In a survey of 1,143 primary health care providers in Western Australia, only 45\% routinely ask about alcohol consumption during pregnancy and only 25\% routinely provide information on the potential consequences of heavy alcohol consumption during pregnancy and only 13\% provide advice consistent with the current NHMRC Australian Alcohol Guidelines. They identified the need for educational material for both their patients and themselves\textsuperscript{82} \textsuperscript{83} \textsuperscript{84}.

A Healthy Habits training program was effectively initiated in the USA to address clinician certainty and confidence in diagnosing problematic alcohol consumption\textsuperscript{85}.

\textsuperscript{80} Nevin AC, Parshuram C, Nulman I, Koren G, Einarson A (2002) "A survey of physicians knowledge regarding awareness of maternal alcohol use and the diagnosis of FAS." BMC Family Practice Volume, DOI:
Appendix 7: Research underpinning advice to expectant mothers

The evidence on the impact of low maternal alcohol consumption on the developing foetus is conflicting.

While no threshold above which an alcohol-related adverse effect occurs to the developing foetus has been established, the available data to date suggests that no adverse effects occur when up to 83 g or ca. eight standard drinks of alcohol is consumed per week.

A 1998 meta-analysis of approximately 20,000 exposed foetuses, also determined there was no evidence that light and moderate consumption increased the risk of foetal abnormalities, where moderate consumption was defined as greater than two standard drinks or ca. 20 g of alcohol per week but less than two standard drinks or ca. 20 g per day in the first trimester.86

The consumption of heavy amounts of alcohol by pregnant women has unequivocally been associated with adverse effects on the developing foetus.87

While a recent review found no consistent convincing evidence of greater harm to the foetus from prenatal binge drinking,88 heavy episodic consumption may result in higher maternal and foetal maximum blood alcohol concentrations followed by withdrawal episodes compared with continuous heavy consumption.

Harm to the foetus varies significantly with the quantity of alcohol consumed, and also with the frequency with which it is consumed and the timing of the consumption to the gestational age of the foetus.89 However, “a high level of alcohol intake alone generally does not result in a diagnosis of FAS”90.

Indeed, the current and nutritional status of the mother and her body mass index, her gravity and parity, her ingestion of drugs including caffeine and nicotine, and her educational, ethnicity, genetic, marital, parity and socio-economic status contribute to the development of FAS.91 92 93 94 95 96

Appendix 8

Positive Health Claims

Warning labels also open up the paradoxical. If we are going to put in a warning about the negative health consequences of alcohol consumption, then does that then allow the alcohol sector an open door to promote the positive health aspects of moderate consumption?

“Live a longer and more fulfilled life – drink at least two standard drinks of alcohol a day”.

Cardiovascular disease

Research suggests the regular, moderate consumption of alcohol promotes short- and long-term cardioprotective effects and may reduce the risk of coronary artery disease, ischaemic stroke and heart failure associated with coronary artery disease. In 2000, cardiovascular disease (CVD) accounted for nearly 40% of all deaths in Australia.

Two studies97 published in the British Medical Journal this year show that people who drink in moderation are up to 25% less likely to develop heart disease than those who drink no alcohol and that moderate consumption leads to a “significant” increase in some cardiovascular markers, including serum high density lipoprotein cholesterol levels. Both papers were based on systematic reviews and a meta-analysis of studies published between 1950 and 2009, involving millions of people.

The findings were acknowledged by Prof Garry Jennings, director of the Baker IDI Heart and Diabetes Institute in Melbourne, and Prof James Tatoulis, chief medical adviser to the National Heart Foundation98. While stressing that no-one should take up drinking on the strength of the findings and highlighting the risk of excessive consumption, Prof Tatoulis noted that “epidemiological studies conducted over the past 50 to 60 years” reinforce the benefits of light-to-moderate drinking and that “doctors should not admonish patients for light to moderate drinking”.

It has been suggested by some critics that research showing that wine has a cardioprotective effect was flawed because in comparisons it did not distinguish between former drinkers who had stopped drinking and life-long abstainers. However, this has been remedied in recent studies.

In a 2005 study99 where ex-drinkers were separated from lifetime abstainers, total mortality was highest in the ex-drinkers and lifetime abstainers and 30–40% lower in current consumers.

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97 Effect of alcohol consumption on biological markers associated with risk of coronary heart disease: systematic review and meta-analysis of interventional studies; Association of alcohol consumption with selected cardiovascular disease outcomes: a systematic review and meta-analysis.
98 “Compelling” evidence won’t change drinking advice (published in MJA InSight, an electronic newsletter for medical specialists, GPs and other health professionals)
99 Old people, alcohol use and mortality: A ten-year prospective study
www.ncbi.nlm.nih.gov/pubmed/16392419
In the same year, a study that identified lifetime abstainers and separated occasional drinkers from regular light drinkers showed consumption of one to two drinks/day was associated with 40% less heart failure linked to coronary artery disease.

**Cancer**

The relationship between alcohol and cancer is complex and not clear. While there is evidence to show alcohol consumption of 2.5 standard drinks a day or more increases the risk of some cancers, other research suggests moderate wine consumption (up to two standard drinks per day) may reduce the risk.

Increased risk is primarily associated with the body tissues that come into direct contact with the alcohol component of wine (mouth, throat, oesophagus, liver and bowel) and with breast cancer in women.

The risks are higher at higher levels of consumption and do not affect everyone equally. It also is known that other lifestyle choices, such as smoking with alcohol consumption, contribute to this figure.

Early research results from animal and human studies show that the phenolic compounds in wine may protect the DNA of cells of body tissues from damage that can lead to cancer, or may stop the growth of cells with damaged DNA. In particular, population studies suggest that moderate wine consumption may protect against the initiation and progression of cancers of the mouth, throat, oesophagus, lung and bowel as well as Non-Hodgkin’s Lymphoma.

Recent research and publicity

**Dementia**

Consistent results from recent research suggest that regular moderate alcohol consumption is associated with a reduced risk of cognitive impairment and dementias such as Alzheimer’s disease for both men and women, even among individuals aged 75 years and older. Regular heavy consumption (five or more standard drinks a day) is, however, associated with an increased risk of developing dementias, probably directly due to the toxic effects of the alcohol on brain cells or indirectly due to associated poor nutrition or trauma to the brain.

**Drinking when older**

It is safe to continue moderate alcohol consumption as long as you are in good health.

However, the ability to tolerate alcohol decreases as you age (you have less water in your body to dilute it) and your liver is less efficient at breaking it down.

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Moderate alcohol consumption has been shown to decrease the risk of other ageing conditions such as cognitive impairment and osteoporosis, although heavier consumption was observed to increase their risk.\textsuperscript{102}

\textsuperscript{102} Lifestyle factors and risk of dementia: Dubbo Study of the elderly. 
www.ncbi.nlm.nih.gov/pubmed/16411871