

SUBMISSION TEMPLATE

Policy options targeted consultation paper:

Pregnancy warning labels on packaged alcoholic beverages

Overview

This submission template should be used to provide comments on the policy options targeted consultation paper: *Pregnancy warning labels on packaged alcoholic beverages*.

Contact Details

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Date of submission:	Thursday 14 June 2018

If we require further information in relation to this submission, can we contact you? Yes

Privacy

Personal information provided to the Food Regulation Standing Committee (FRSC) as part of the *Pregnancy warning labels on alcoholic beverages* public consultation will be dealt with in accordance with the Privacy Act 1988 (Cth) at www.comlaw.gov.au and the Australian Privacy Principles at www.oaic.gov.au. The Department of Health's Privacy Policy is available at <http://www.health.gov.au/internet/main/publishing.nsf/Content/privacy-policy>.

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If you consider that all or part of your submission should not be released, please make this clear when making your submission and indicate the grounds for withholding the information. Please provide two versions of the submission; one full version **with confidential information identified in red text**, and one with the confidential information removed.

A request made under the *Freedom of Information Act 1982* for access to a submission marked confidential will be determined in accordance with that Act.

Do you want this submission to be treated as confidential? Yes No
If yes, please state why:

Submission Instructions

Submissions should be received by 5pm AEST on 14 June 2018. The Food Regulation Standing Committee reserves the right not to consider late submissions.

Please complete the attached template for your submission. Note that submissions may not be drawn upon in preparing the decision regulation impact statement (DRIS) to recommend a preferred policy option to the Australia and New Zealand Ministerial Forum on Food Regulation (the Forum) if they:

- are not supported by evidence;
- do not directly answer the questions in the Policy options targeted consultation paper; and/or
- do not use this template.

Please do not change the template.

Where possible, submissions should be lodged electronically. Please send your submission to: FoodRegulationSecretariat@health.gov.au with the title: *Submission in relation to pregnancy warning labels on packaged alcoholic beverages*.

OR mail to:

c/- MDP707
GPO Box 9848
Canberra ACT 2601

If you need to attach documents to support your submission, please make it clear which question/s they relate to.

Consultation questions

Please insert your comments against the consultation questions below. These questions correspond to specific sections of the Consultation Paper. If you cannot answer the question or it doesn't apply, please write "nil response" or "not applicable".

1: Are these appropriate estimates of the proportion of pregnant women that drink alcoholic beverages? Do you have any additional data to show changes in drinking patterns during pregnancy over time? Please specify if your answers relate to Australia or New Zealand.

The evidence gathered by the Australian Government is encouraging.

According to the Australian Institute of Health and Welfare’s National Drug Strategy Household Surveys¹ over the last decade, the rates of abstention among pregnant women have increased dramatically, up from 40% in 2007, 48.7% in 2010, 52.7% in 2013 to 55.6% in 2016.

At face value, this would lead some to consider the 44.4% of pregnant women to be a large at-risk cohort. In fact, the AIHW reports that those women (aged 14-49) who did consume alcohol during pregnancy are doing so at lower and diminishing levels. Of this cohort, 97.3% consumed no more than 1-2 standard drinks during their pregnancy in 2016 – up from 95.8% in 2013.

Table 8.15: Quantity and frequency of alcohol consumed, by pregnant women aged 14–49 who consumed alcohol during pregnancy, 2013 to 2016 (per cent)

Quantity	2013	2016
1 - 2 drinks	95.8	97.3
3 - 4 drinks	*2.7	n.p.
5 - 6 drinks	**1.4	—
7 or more drinks	—	n.p.
Frequency		
Monthly or less	77.9	81.0
Two or four times a month	17.0	16.2
Two to three times per week	*2.7	**1.7
Four or more times per week	*2.4	n.p.

* Estimate has a relative standard error of 25% to 50% and should be used with caution.

** Estimate has a high level of sampling error (relative standard error of 51% to 90%), meaning that it is unsuitable for most uses.

n.p. not published because of small numbers, confidentiality or other concerns about the quality of the data.

Note: Base is pregnant women who consumed alcohol during pregnancy.

Source: NDSHS 2016.

In 2016, the AIHW found that the percentage of women consuming at higher rates was too small to record with accuracy. We can reasonably deduce that those women at risk is a small proportion of the population and government policy should focus on those specific circumstances and drivers if real change is to be achieved.

The advice provided by Australia’s major brewers, who have been 100% compliant with voluntary pregnancy warning labelling for several years, is entirely consistent with the prevailing advice from the National Health and Medical Research Council’s *Australian Guidelines to Reduce Health Risks from Drinking Alcohol* report that the risk of harm to the developing foetus is highest when there is high, frequent maternal alcohol intake and likely to be low if a woman has consumed only small amounts of alcohol (such as one or two drinks per week) before she knew she was pregnant or during pregnancy. This is reflected in the on-label advice “it is safest not to drink while pregnant”.

¹ Australian Institute of Health and Welfare. 2017. National Drug Strategy Household Survey 2016: detailed findings. Drug Statistics series no. 31. Cat. no. PHE 214. Canberra: AIHW. Australian Institute of Health and Welfare.

2: Are these appropriate estimates of the prevalence and burden (including financial burden) of FASD in Australia and New Zealand? Please provide evidence to support your response.

No. Government policy cannot be driven by guesswork. The absence of national data on the prevalence or burden of FASD is disturbing and highlights the need for comprehensive screening.

The best available estimates from states and territories reveal excessively high incidences among certain cohorts and communities. This, together with the AIHW's demonstrated decline in drinking rates among pregnant women nationally, is persuasive of risky drinking behaviour being relatively isolated. This would warrant policy interventions targeted to those at risk cohorts, with an emphasis on early intervention and education initiatives.

In 2016-17 the Australian Government's Federal Budget committed \$2.6 million a year (\$10.5 million over four years) to combat FASD. Given the Australian Government receives in excess of \$10 billion a year in alcohol taxes (excise, WET and GST), the government may consider allocating further resources for broader public education campaigns and targeted interventions for at risk groups.

For the beer category's part, in 2016-17 alone taxes on beer amounted to some \$4.2 billion. The Final Budget Outcome 2016-17 shows that beer excise alone raised \$2.38 billion².

² Final Budget Outcome 2016-17, Table 4, Page 8 <http://www.budget.gov.au/2016-17/content/fbo/download/02-Part-1.pdf>

3: Do you have evidence that the voluntary initiative to place pregnancy warning labels on packaged alcoholic beverages has resulted in changes to the prevalence of FASD, or pregnant women drinking alcohol, in Australia or New Zealand? Please provide evidence to justify your position.

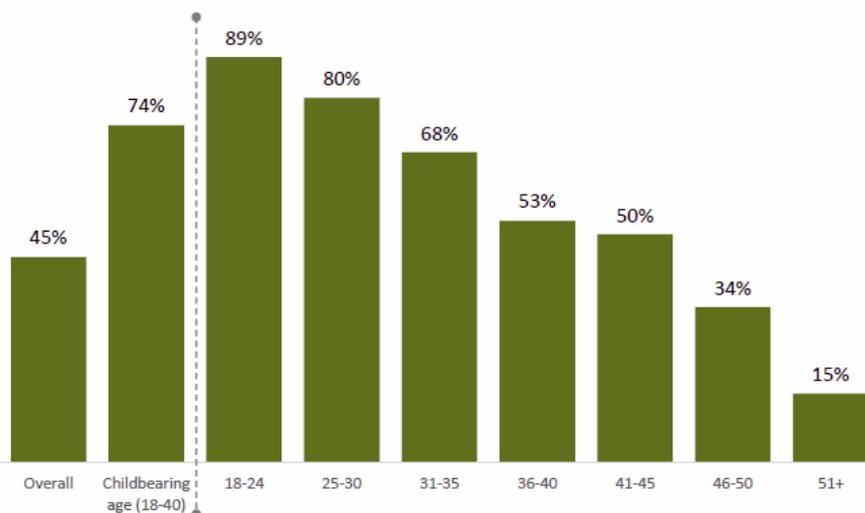
It has already been established in the Consultation Paper that the Australian Government does not collect national data on the prevalence or burden of FASD. Meanwhile, the data collected by state and territories does not include analysis of pregnancy warning labels.

It is clear that awareness among pregnant women of the warning labels is exceptionally high and that its meaning is unambiguous for the overwhelming majority of women. This is a pleasing result which shows that the pregnancy warning labels are having a positive impact.

In 2017 DrinkWise Australia commissioned consumer insights agency GalKal³ to undertake research into awareness and understanding of the pregnancy warning labels on alcohol products. The findings clearly demonstrate high awareness (i.e. 89% among the 18-24 age group). The study found:

LABEL AWARENESS IS HIGHEST AMONGST YOUNGER DRINKERS

LABEL AWARENESS BY AGE



GALKAL Q11 - Please look at the pictures below. Do you recall seeing any of the below images shown on alcohol products and packaging?
Base: 18+ and purchased alcohol in the last year (n=301), Childbearing age (18-40) (n=118), 18-24 (n=37), 25-30 (n=27), 31-35 (n=23), 36-40 (n=23), 41-45 (n=28), 46-50 (n=26), 51+ (n=129)

³ DrinkWise/GALKAL, A Snapshot: Australian Drinking Habits 2007 vs 2017, 2017.

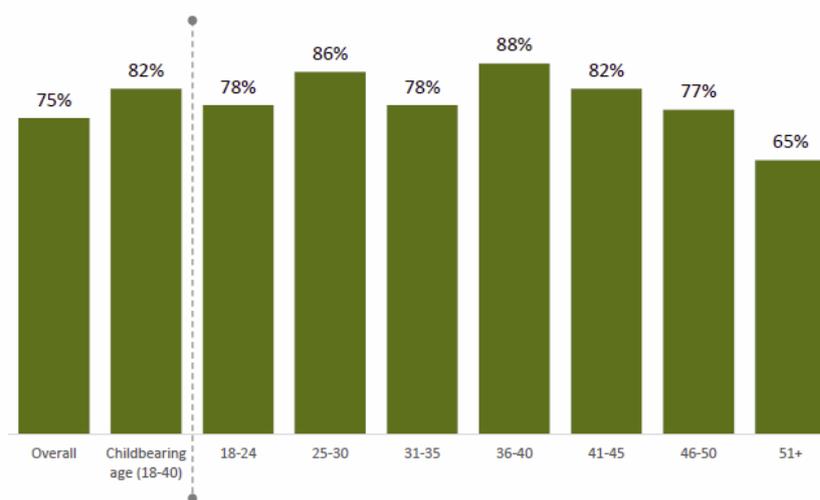
4. Variation in labelling coverage and consistency, and some consumer misunderstanding associated with the current voluntary pregnancy warning labels in Australia and New Zealand were identified as reasons for possible regulatory or non-regulatory actions in relation to pregnancy warning labels on alcoholic beverages.

Are there any other issues with the current voluntary labelling scheme that justify regulatory or non-regulatory actions? Please provide evidence with your response.

Contrary to the preamble in the Consultation Paper, there is exceptional understanding of the pregnancy warnings, especially among the target population of women of childbearing age. The 2017 GalKal study for DrinkWise Australia found:

LABEL UNDERSTANDING WAS HIGH, WITH ONLY THE OLDER AGE GROUPS LESS LIKELY TO UNDERSTAND

LABEL UNDERSTANDING BY AGE



GALKAL Q12 - Do you understand what these messages and images mean?
Base: 18+ and purchased alcohol in the last year (n=301), Childbearing age (18-40) (n=118), 18-24 (n=37), 25-30 (n=27), 31-35 (n=29), 36-40 (n=25), 41-45 (n=28), 46-50 (n=26), 51+ (n=129)

Awareness among women of the warning labels is exceptionally high and its meaning is unambiguous for the overwhelming majority of women.

Australia's major brewers – Carlton & United Breweries, Lion Beer Australia and Coopers Brewery – represent some 90% of beer sales in Australia. All of the products they produce have carried the pregnancy warnings on-label since 2014.

As early adopters of pregnancy warnings, the major brewers have led the way through significant effort and expense to be 100% compliant with voluntary pregnancy warning labelling. This strong leadership has been important in influencing others to adopt the labelling and should not be ignored let alone punished.

Regulation is not required for those already 100% compliant. Any government response to the failure of others in the alcohol sector to be 100% compliant after six years of voluntary labelling should be directed at bringing those players up to speed and commence using labels that are demonstrably working, not penalising all.

Any change to the current requirements would double down on the effort and costs already absorbed by the major brewers, notwithstanding the fact that the present labels have achieved positive results. Therefore, any new regime should seek to mirror the voluntary regime, including size, placement and colours.

5: Has industry undertaken any evaluation on the voluntary pregnancy warning labels? If so, please provide information on the results from these evaluations.

DrinkWise Australia engaged consumer insights agency GalKal to undertake research in 2017 into awareness and understanding of the pregnancy warning labels on alcohol products. As outlined in Questions 3 and 4, both awareness and comprehension are exceptionally high.

This impressive result is despite some industry players failing to comply with the voluntary regime.

Australia's major brewers – Carlton & United Breweries, Lion Beer Australia and Coopers Brewery – have been 100% compliant with the voluntary regime since 2014.

6: Considering the potential policy options to progress pregnancy labelling on alcoholic beverages and address the implementation issues:

a) Are there additional pros, cons, and risks associated with these options presented that have not been identified? Please provide evidence to support your response.

Regulation is not required for those companies already 100% compliant with the voluntary regime.

The policy options, especially the mandatory option, make no allowance for, and give no credit to, alcohol companies who have done the right thing by ensuring 100% compliance across all of their labels.

Any government response to the failure of others in the alcohol sector to be 100% compliant after six years of voluntary labelling should be directed at bringing those non-compliant players up-to-speed, not penalising all.

Further, the claims in the Consultation Paper around awareness and understanding being low are not borne out by the evidence and are contradicted by the DrinkWise Australia/GalKal 2017 research. This is credible, independent analysis on the subject.

Therefore, it must be acknowledged that any bid to alter, in any way, labelling requirements for pregnancy warnings (size, placement, colour, wording, etc) would penalise companies that have done the right thing and have made a substantial difference in awareness and understanding.

It would be inherently unfair for those companies to go to that effort and expense twice, when others have not voluntarily complied. Therefore, any new regime should mirror the requirements under the voluntary regime, including size, placement, colours, wording, etc.

b) Are there other potential policy options that could be implemented, and if so, what are the pros, cons and risks associated with these alternate approaches? Please provide evidence to support your response.

Clearly, governments are seeking to address those sections of the alcohol industry that have resisted joining the voluntary regime. We agree that their failure to commit is not acceptable

The Brewers Association of Australia – representing 90% of all beer sales across the country through Carlton & United Breweries, Lion Beer Australia and Coopers Brewery – accepts that too many in the alcohol industry have been too slow to do the right thing under the voluntary system.

A voluntary system is an opportunity for industry to demonstrate that it is responsive and responsible. The three major brewers have done so. After six years of voluntary pregnancy, the major brewers are greatly disappointed that in 2018 most alcohol companies still have not complied.

Rather than a blanket policy response that penalises industry participants who are doing the right thing, policy makers should focus their attention on bringing those elements of the alcohol industry dragging the chain up -to -speed.

Therefore, we would not support governments being prescriptive on where images should appear on labels or mandating size and colour requirements, as the present labels are proven to be working. In addition, it would penalise companies who have complied with government expectations to -date, while rewarding those companies who have not.

Further, a symbol on a label is not a silver bullet for change. The pictogram's intent on the label is a reminder that drinking is best avoided while pregnant or if trying to get pregnant (as per the current NHMRC advice), and it serves as a prompt or call to action to seek more information.

Making further inroads into the incidences of FASD will take a long-term commitment and to be effective, evidence-based, targeted interventions for at-risk groups will require a combination of education resources and effort from governments, industry and the community.

7: Which option offers the best opportunity to ensure that coverage of the pregnancy warning labelling is high across all types of packaged alcoholic beverages, the pregnancy warning labels are consistent with government recommendations and are seen and understood by the target audiences? Please justify your response.

The Brewers Association of Australia supports Option 1B.

There must be change if there is to be 100% compliance across industry. A code, as exists with the highly effective 20-year example of the Alcohol Beverages Advertising Code (ABAC), is an effective model.

However, we do not support ABAC having this labelling role. Lumbering ABAC with additional responsibilities would threaten to undermine ABAC's actual function.

DrinkWise Australia may be better placed to provide this role, however, the Brewers Association of Australia has reservations about how this would work in practice, how it would be implemented and its ultimate effectiveness.

The Brewers Association of Australia considers that a far better and more effective requirement may be for retailers, especially the major chains, to enter a Memorandum of Understanding with DrinkWise Australia requiring all alcohol products to bear the DrinkWise Australia pregnancy warning pictogram on labels, or not be stocked in their outlets. Any development and implementation of such a recommendation would, of course, be contingent on full consultation with retailers.

This commercial reality is, in fact, the best trigger to ensure compliance across the entire alcohol sector, while not punishing those businesses already fully compliant with the voluntary regime. It also avoids placing undue administrative and compliance burdens on government and costs on taxpayers.

8: Do you support the use of a pictogram? If so, do you have views on what pictogram should be used (e.g. pregnant woman holding beer glass or wine glass), and also, what colour/s should be used, and why? Do you have any views on size, contrast, and position on the package? Please provide research or evidence to support your views.

The pictogram is working well in its current form, including size, contrast and position. As the GalKal research for DrinkWise Australia illustrates the overwhelming majority of women, especially those of childbearing age, recognise and clearly understand the existing warning regime.

The Brewers Association of Australia supports the use of the pictogram, which is currently the most commonly used pregnancy warning label by itself in Australia (76%) (Siggins Miller 2017). We note that, as a multicultural community, pictograms provide a consistent message that can be understood irrespective of cultural, language and socioeconomic backgrounds. It is a simple, clear and unambiguous communication understood across the community.

Those few who do not understand the meaning of the pictogram would appear to require further early intervention and education initiatives that cannot be addressed through any pictogram or labelling communication.

Further, any changes to the existing labelling regime would unduly penalise those industry players who have adopted a warning label which is working and have tangibly demonstrated their commitment through timely adoption of the voluntary regime.

It would be a perverse policy outcome to penalise those companies who have done the right thing by forcing them to go to make significant changes to their packaging twice, while those who have not adhered to the voluntary regime would only make the change and incur the associated costs once.

To be clear, any change to the pregnancy warnings as they currently exist on labels would have this perverse effect.

9: Do you support the use of warning text on a label? Why or why not? Do you have views on what text should be used, and if so, what is it? Do you support the use of warning messages already used in other markets? Please provide research or evidence to support your views.

The Brewers Association of Australia does not support the use of warning text on a label for all alcoholic beverages in Australia. International evidence indicates that pictograms are better at raising awareness and are better suited to Australian circumstances.

For example, in the USA, mandated warning text on a label for alcoholic beverages "women should not drink alcoholic beverages during pregnancy because of the risk of birth defects", was legislated and enacted in 1988 via the Alcoholic Beverage Labelling Act 1988 under the Omnibus Drug Act 1988. Subsequently, 36 other countries have either mandatory or voluntary health warning labels which are predominantly a warning text (IARD 2018).

However, the National Institute on Alcohol Abuse and Alcoholism (NIAAA) regularly evaluates the impact of these labels on the US population, and their data shows a slow and limited impact on consumer awareness (Mayer et al., 1991; Mazis et al., 1991; Scammon et al., 1992; Graves, 1992, 1993; Kaskutas and Greenfield 1992; Kaskutas and Greenfield 1997, Greenfield et al., 1999).

In a Utah-based survey, nine months after the introduction of these labels, there was only a 16.3% increase in awareness in the non-Mormon population and a 3.3% to 7.0% increase in the predominantly non-drinking Mormon population. Nationally, by mid-1991, 35% of those surveyed were aware of the label and by mid-1994, 43% were aware of the label and could recall the warning.

Exposure has also been inconsistent across populations, where six and 18 months after their introduction, men, 18 to 29-year olds, heavy consumers and the tertiary educated had more likely seen the labels than other population groups (Kaskutas and Greenfield 1992, Graves 1993, Greenfield et al. 1999). Even 50 months after their introduction, women older than 29 years were less likely to have seen the warning labels. These studies reveal 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 (Mayer et al. 1991, Marzis et al. 1991, Kaskutas and Greenfield 1992, Greenfield et al. 1993, Hilton 1993, McKinnon et al. 1993, US Department of Health and Human Services 1993).

Data from a six-year study of African Americans showed that while awareness changed initially and then plateaued after approximately three years of warning labels, there was no change in the behaviour of a specific at risk group of chronic and heavy consumers of alcohol (Hankin et al. 1993a, 1993b, Hankin et al. 1996).

Therefore, with respect to warning text in Australia, the clear view is that the pictogram is strongest as a standalone image in a multicultural society. The DrinkWise Australia/GalKal research demonstrates that the overwhelming majority of Australian women, especially those of childbearing age, recognise and clearly understand the existing warning pictogram, which would indicate that the standalone pictogram currently works well.

Further, the use of additional text can result in visual clutter that decreases the effectiveness of the overall message communicated clearly by the pictogram.

Sources:

Mayer RN, Smith KR, Scammon DL (1991) Read any good labels lately? Evaluating the impact of alcohol warning labels. *J. Public Policy Market* 10:149-158.

Mazis MB, Morris LA, Sawsy JL (1991) An evaluation of the alcohol warning label. Initial survey results. *J. Public Policy Market*. 10:229-241.

D.L. Scammon, R.N. Mayer, K.R. Smith Alcohol warnings: how do you know when you have had one too many *Journal of Public Policy Market*, 10 (1) (1992), pp. 214-228.

Graves KL (1993) An evaluation of the alcohol warning label: comparison of the United States and Ontario, Canada in 1990 and 1991. *Journal of Public Policy and Marketing* 12:19-29.

Kaskutas L, Greenfield TK (1992) First effects of warning labels on alcoholic beverage containers. *Drug Alcohol Depend.* 31:1-14.

Greenfield TK, Graves KL, Kaskutas LA (1999) Long-term effects of alcohol warning labels: Findings from a comparison of the United States and Ontario, Canada. *Psychology and Marketing* 16:261–282.

Hilton ME (1993) An overview of recent findings on alcoholic beverage warning labels. *J. Public Policy Market* 12:1 - 9.

Jones SC, Gregory P. The impact of more visible standard drink labelling on youth alcohol consumption: helping young people drink (ir)responsibly? *Drug Alcohol Rev.* 2009 May;28(3):230-4.

D.P. McKinnon, M.A. Pentz, A.W. Stacy The alcohol warning label and adolescents: the first year *American Journal of Public Health*, 83 (1993), pp. 585-587.

Hankin JR, Sloan JJ, Firestone IJ, Ager JW, Sokol RJ, Martier SS (1993a) A time series analysis of the impact of the alcohol warning label on antenatal drinking. *Alcohol Clin. Exp. Res.* 17:284–289.

Hankin JR, Sloan JJ, Firestone IJ, Ager JW, Sokol RJ, Martier SS, Townsend J (1993b) The alcohol beverage warning label: when did knowledge increase? *Alcohol Clin. Exp. Res.* 17:428–430.

Hankin JR, Sloan JJ, Firestone IJ, Ager JW, Sokol RJ, Martier SS (1996) Has Awareness of the Alcohol Warning Label Reached Its Upper Limit? *Alcoholism: Clinical and Experimental Research* 20:440-444.

10: Do you have views on what colour should be used for text, and whether green should be permitted? Do you have any views on size, contrast, and position on the package? Please provide research or evidence to support your views.

The claims in the Consultation Paper around awareness and understanding being low are not borne out by the evidence and, indeed, are contradicted by the DrinkWise Australia/GalKal research, which demonstrates that the overwhelming majority of women, especially those of childbearing age, recognise and clearly understand the existing warning regime.

Those few who do not understand the meaning of the pictogram would appear to require further early intervention and education initiatives, which cannot be addressed through pictograms or labelling. The size, contrast or position of the pictogram would have little bearing on awareness among this cohort.

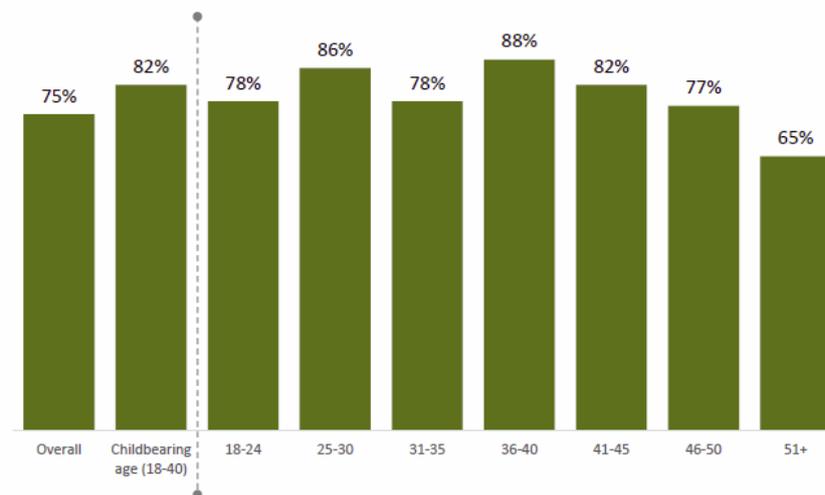
11: Should both the text and the pictogram be required on the label, or just one of the two options? Please justify your response.

The pictogram is clearly sufficient for the overwhelming majority of women who recognise and understand its meaning without ambiguity.

Contrary to the preamble in the Consultation Paper, there is exceptionally high understanding of the pregnancy warnings, especially among the target population of women of childbearing age. The GalKal study for DrinkWise Australia found:

LABEL UNDERSTANDING WAS HIGH, WITH ONLY THE OLDER AGE GROUPS LESS LIKELY TO UNDERSTAND

LABEL UNDERSTANDING BY AGE



GALKAL

QL2 - Do you understand what these messages and images mean?

Base: 18+ and purchased alcohol in the last year (n=301). Childbearing age (18-40) (n=118); 18-24 (n=37), 25-30 (n=27), 31-35 (n=29), 36-40 (n=25), 41-45 (n=28), 46-50 (n=26), 51+ (n=129)

Australia's major brewers – Carlton & United Breweries, Lion Beer Australia and Coopers Brewery – represent some 90% of beer sales in Australia. All of the products they produce have carried the pregnancy warnings on-label since 2014.

As early adopters of pregnancy warnings, the major brewers have led the way through significant effort to be 100% compliant with voluntary pregnancy warning labelling. This commitment should not be ignored.

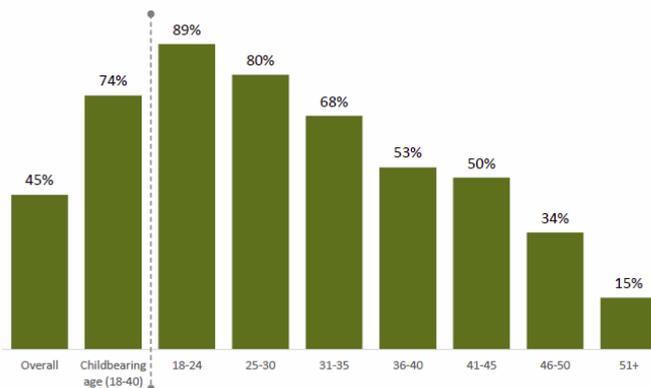
12: Are you aware of any consumer research on understanding and interpretation of the current DrinkWise pictogram and/or text? What about other examples of pictogram and/or text?

Given the Consultation Paper acknowledges that the Australian Government does not collect national data on the prevalence or burden of FASD and the data collected by state and territories does not include analysis of pregnancy warning labels, the GalKal research is the most authoritative available.

In 2017 DrinkWise Australia commissioned consumer insights agency GalKal to undertake research into awareness and understanding of the pregnancy warning labels on alcohol products. The findings clearly demonstrate high awareness (i.e. 89% among the 18-24 age group). The study found:

LABEL AWARENESS IS HIGHEST AMONGST YOUNGER DRINKERS

LABEL AWARENESS BY AGE

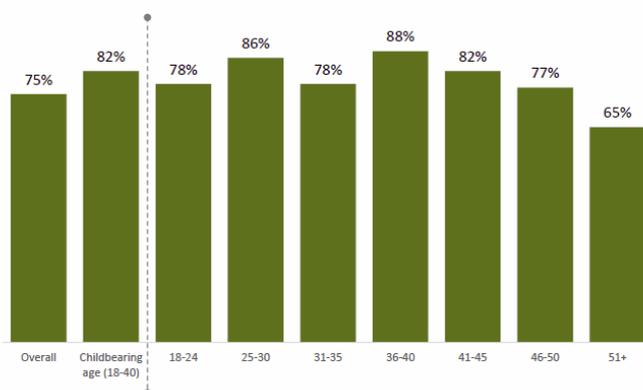


Q11 - Please look at the pictures below. Do you recall seeing any of the below images shown on alcohol products and packaging?
Base: 18+ and purchased alcohol in the last year (n=802). Childbearing age (18-40) (n=118); 18-24 (n=37); 25-30 (n=27); 31-35 (n=29); 36-40 (n=25); 41-45 (n=28); 46-50 (n=26); 51+ (n=129)

Contrary to the preamble in the Consultation Paper, there is also very high understanding of the pregnancy warnings, especially among the target population of women of childbearing age. The GalKal study for DrinkWise Australia found:

LABEL UNDERSTANDING WAS HIGH, WITH ONLY THE OLDER AGE GROUPS LESS LIKELY TO UNDERSTAND

LABEL UNDERSTANDING BY AGE



Q12 - Do you understand what these messages and images mean?
Base: 18+ and purchased alcohol in the last year (n=801). Childbearing age (18-40) (n=118); 18-24 (n=37); 25-30 (n=27); 31-35 (n=29); 36-40 (n=25); 41-45 (n=28); 46-50 (n=26); 51+ (n=129)

What is clear is that awareness among pregnant women of the warning labels is exceptionally high and that its meaning is unambiguous for the overwhelming majority of women.

13: Describe the value of pregnancy warning labels. Please provide evidence to support your views.

A pictogram on a label is not a silver bullet for change, but the label is a clear and important reminder that drinking is best avoided while pregnant or if trying to get pregnant (as per the current NHMRC advice), and serves as a prompt to seek more information.

In 2017 DrinkWise Australia commissioned GalKal to undertake research into awareness and understanding of the pregnancy warning labels on alcohol products. The findings clearly demonstrate high awareness (i.e. 89% among the 18-24 age group) and high understanding of the pregnancy warnings.

Australia's major brewers have led the way by applying the warning labels across all of their labels they produce in a timely, as well as costly, undertaking.

Making further inroads into the incidences of FASD will take a long-term commitment and, to be effective, evidence-based, targeted interventions for at risk groups will require a combination of education resources and effort from governments, industry and the community.

The Brewers Association of Australia, its members and, indeed, the bulk of the alcohol industry are currently seeking to partner with the Australian Government on tangible ways to identify, intervene and educate those at risk groups and individuals.

That said, it is clear from the evidence gathered by DrinkWise Australia and the Australian Government that the current suite of measures, including voluntary labelling, is having a positive effect.

Therefore, as part of a broader education and information campaign, pregnancy warning labels are very valuable in reinforcing other educational measures and strategies that aim to internalise alcohol risk information by changing beliefs and, ultimately, behaviours⁴.

According to the Australian Institute of Health and Welfare's National Drug Strategy Household Surveys over the last decade, the rates of abstention among pregnant women have increased dramatically, up from 40% in 2007, 48.7% in 2010, 52.7% in 2013 to 55.6% in 2016.

Further, the AIHW reports that of those women (aged 14-49) who did consume alcohol during pregnancy, they are doing so at lower and diminishing levels. Of this cohort, 97.3% consumed no more than 1-2 standard drinks during their pregnancy in 2016 – up from 95.8% in 2013.

⁴ Laughery KR. (2006) Safety communications: warnings. *Appl Ergon* 37:467–78.

14: Which is the option that is likely to achieve the highest coverage, comprehension and consistency? Please provide evidence with your response.

The Brewers Association of Australia supports Option 1B.

Considering the already high level of awareness and understanding among women, especially those of childbearing age, a leap to regulation of pregnancy warnings on-label is unwarranted. Clearly, regulation is not required for those companies already 100% compliant with the voluntary regime.

Australia's major brewers – Carlton & United Breweries, Lion Beer Australia and Coopers Brewery – represent some 90% of beer sales in Australia. All of the products they produce have carried the pregnancy warnings on-label since 2014.

However, the Brewers Association of Australia recognises that too many big, medium and small industry players have failed, over a six-year period, to responsibly respond and adhere to the voluntary regime.

Clearly, more must be done to ensure there is to be 100% compliance across industry.

DrinkWise Australia would appear best placed to act in this compliance role, supported by commercial arrangements.

The Brewers Association of Australia considers that a far better and more effective requirement may be for retailers, especially the major chains, to enter a Memorandum of Understanding with DrinkWise Australia requiring all alcohol products to bear the DrinkWise Australia pregnancy warning pictogram on labels, or not be stocked in their outlets. Any development and implementation of such a recommendation would, of course, be contingent on full consultation with retailers.

This commercial reality is, in fact, the best trigger to ensure compliance across the entire alcohol sector, while not punishing those businesses already fully compliant with the voluntary regime.

It also avoids placing undue administrative and compliance burdens on government and cost on taxpayers.

The other policy options, especially the mandatory option, make no allowance for, and give no credit to, companies who have done the right thing by ensuring 100% compliance across all of their labels to date.

Any government response to the failure of others in the alcohol sector to be 100% compliant after six years of voluntary labelling should be directed at bringing those players up -to -speed, not penalising all. It would also be expensive for government to implement and monitor.

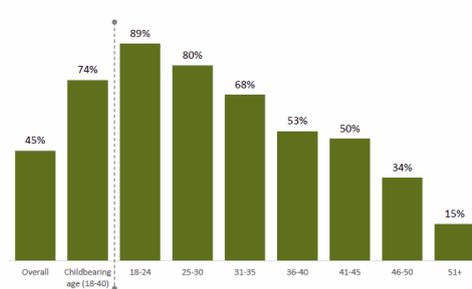
Claims in the Consultation Paper around awareness and understanding of the pictogram being low are not borne out by the evidence and are contradicted by the DrinkWise Australia/GalKal research – credible, recent and independent analysis on the subject.

15: Which option is likely to achieve the objective of the greatest level of awareness amongst the target audiences about the need for pregnant women to not drink alcohol? What evidence supports your position?

The question appears to expose an assumption that 100% awareness and understanding of on-label warnings would somehow equate to 100% eradication of FASD. This is an overreach on the part of policy makers. We know from the DrinkWise-GaKAl research that awareness of the pregnancy warning labels on alcohol products is already high, (i.e. 89% among the 18-24 age group). The study found:

LABEL AWARENESS IS HIGHEST AMONGST YOUNGER DRINKERS

LABEL AWARENESS BY AGE



GALKAL 83-1. Please see all of the other labels. Do you recall seeing any of the above images shown on alcohol products and packaging? Base: All and purchased alcohol in the last year (n=252). Childbearing age (18-40) (n=145). 18-24 (n=75). 25-30 (n=75). 31-35 (n=75). 36-40 (n=75). 41-45 (n=75). 46-50 (n=75). 51+ (n=22).

A symbol on a label is not a silver bullet for change. The pictogram’s intent on the label is a reminder that drinking is best avoided while pregnant or if trying to get pregnant (as per the current NHMRC advice), and it serves as a prompt to seek more information.

Australia’s major brewers have led the way by applying the warning labels across all of their products in a timely, as well as costly, undertaking.

Making further inroads into the incidences of FASD will take a long-term commitment and, to be effective, evidence-based, targeted interventions for at risk groups will require a combination of education resources and effort from governments, industry and the community.

The Brewers Association of Australia, its members and, indeed, the bulk of the alcohol industry is currently seeking to partner with the Australian Government in tangible ways to identify, intervene and educate those at risk groups and individuals. That said, it is clear from the evidence gathered by the Australian Government that the current suite of measures, including voluntary labelling, is having a positive effect.

According to the Australian Institute of Health and Welfare’s National Drug Strategy Household Surveys over the last decade, the rates of abstention among pregnant women have increased dramatically, up from 40% in 2007, 48.7% in 2010, 52.7% in 2013 to 55.6% in 2016.

Further, the AIHW reports that of those women (aged 14-49) who did consume alcohol during pregnancy, they are doing so at lower and diminishing levels. Of this cohort, 97.3% consumed no more than 1-2 standard drinks during their pregnancy in 2016 – up from 95.8% in 2013.

In 2016, the AIHW found that the percentage of women consuming at higher rates was too small to record with accuracy. We can reasonably deduce that those women at risk constitute a small proportion of the population and government policy should focus on those specific circumstances and drivers if real change is to be achieved.

Therefore, Option 1B, with the inclusion of a commercial effect for non-compliance, will continue to build on current high levels of awareness, while not placing undue administrative and compliance burdens on government and costs on taxpayers.

16: More information is required on the benefits of each of the regulatory options. Do you have any information on the benefits associated with each option in relation to social, economic or health impacts for individuals and the community? Please provide evidence with your response.

Again, the question assumes that 100% awareness and understanding of on-label warnings would somehow equate to 100% eradication of FASD and, therefore, necessarily yield social, economic and health impacts.

What is clear from the 2017 GalKal consumer insights research into awareness and understanding of the pregnancy warning labels on alcohol products is that awareness among pregnant women of the warning labels is exceptionally high, and that the pictogram's meaning is unambiguous for the overwhelming majority of women.

For the few who do not understand the meaning of the pictogram, these individuals would seem to be prime candidates for targeted specific early intervention and education initiatives.

Making further inroads into the incidences of FASD will take a long-term commitment. To be effective, evidence-based, targeted interventions for at risk groups will require a combination of education resources and effort from governments, industry and the community.

The Brewers Association of Australia, its members and, indeed, the bulk of the alcohol industry is currently seeking to partner with the Australian Government in tangible ways to identify, intervene and educate those at risk groups and individuals.

This substantive policy and program need, addressing at risk groups and individuals through targeted early interventions and education, must not be ignored in this labelling consultation process. Labelling in isolation as a foil to the drivers underpinning the incidences of FASD is policy folly.

On-label warnings are just that, warnings: a reminder and a call to action to seek further information. Given that this is the purpose of on-label warnings, they have proven to be highly effective, despite some industry players failing to adopt them.

17: To better predict cost to industry associated with each option, can you provide further information that could inform the cost to industry associated with each of these approaches, particularly costings from a New Zealand industry perspective? Please provide evidence to support your response.

Australia's major brewers – Carlton & United Breweries, Lion Beer Australia and Coopers Brewery – represent some 90% of beer sales in Australia.

Their brands, labels and packaging represent the bulk of alcohol labelling in Australia. All of the products they produce have carried the pregnancy warnings on-label since 2014.

We are disappointed by the failure of other industry players to comply with the voluntary regime since its inception in 2012.

As early adopters of pregnancy warnings, the major brewers have led the way through significant effort and expense to be 100% compliant with voluntary pregnancy warning labelling.

18: For Australia, is the estimated cost of \$340 AUD per SKU appropriate for the cost of the label changes? To what extent do these cost estimates capture the likely impacts on smaller producers? Should the cost estimates be adjusted upwards to capture disproportionate impacts on smaller producers?

The estimated potential direct costs of re-labelling, \$340 AUD per SKU, is grossly underestimated.

19: Is the number of active SKUs used in the cost estimation appropriate? What proportion of SKUs on the market is from smaller producers?

Nil Response.

20: Should there be exemptions or other accommodations (such as longer transition periods) made for boutique or bespoke producers, to minimise the regulatory burden? If so, what exemptions or other accommodations do you suggest?

No. Given Australia's major brewers, encompassing a vast array of literally hundreds of brands, labels and packages that represent some 90% of all beer sales in Australia, have already complied with the voluntary pregnancy labelling regime – and managed that feat in 2014 to be fully compliant – there is no excuse for minor industry players with very few labelling requirements within their small stable of brands not to be 100% compliant today.

Any exemptions or accommodations would undermine the very purpose of the labelling regime.

21: To better predict the proportion of products that would need to change their label to comply with any proposed change, information on the type of pictogram and text currently used is required. Do you have evidence of the proportion of alcohol products that are currently using the red pictogram, and what proportion of products are using an alternate pictogram (e.g. green)? Do you have evidence on the proportion of alcohol products that are currently using the beer glass pictogram, or the wine glass pictogram? Please specify which country (Australia or New Zealand) your evidence is based on.

Australia's major brewers – Carlton & United Breweries, Lion Beer Australia and Coopers Brewery – represent some 90% of beer sales in Australia. They include the relevant pictogram and/or text on all of the products they produce.

Awareness among women of the warning labels is exceptionally high and its meaning is unambiguous for the overwhelming majority of women. The colour and shade of the pictogram is immaterial. The message is clearly understood.

22: What would be the cost per year for the industry to self-regulate? Please justify your response with hours of time, and number of staff required. Please specify which country (Australia or New Zealand) your evidence is based on.

Using the highly-effective 20-year model that is Australia's Alcohol Beverages Advertising Code, the costs are minimal – estimated at less than \$500,000 per year. Subsuming the labelling regime into, for example, DrinkWise Australia should be a relatively straightforward and inexpensive exercise.

However, the Brewers Association of Australia is less concerned with the costs of such a scheme as we are with ensuring full compliance with the current voluntary regime.

It is our proposition that unless there is a commercial impost, such as retailers – especially the major chains – requiring manufacturers place the DrinkWise Australia pregnancy warning pictogram on all labels or not be stocked in their outlets, there is a risk that current non-compliant players will remain non-compliant.

This commercial reality is, in fact, the best trigger to ensure compliance across the entire alcohol sector, while not placing undue administrative and compliance burdens on government and costs on taxpayers.

23: For each of the options proposed, would the industry pass the costs associated with labelling changes on to the consumer? Please specify which country (Australia or New Zealand) your evidence is based on.

Australia's major brewers – Carlton & United Breweries, Lion Beer Australia and Coopers Brewery – represent some 90% of beer sales in Australia. Their brands, labels and packaging represent the bulk of alcohol labelling in Australia. All of the packaged products they produce have carried the pregnancy warnings since 2014.

Australian beer prices are too high due to an excessive excise taxation regime, which automatically increases every six months and already ranks among the most expensive in the world.

The best way to avoid further cost pressures for Australian consumers, who are overwhelmingly drinking responsibly, is for a new code to entrench the current voluntary pregnancy warning label regime. This would result in no new costs for consumers of products already bearing the warning pictogram, while bringing those elements of the alcohol sector up to speed. This would have the additional benefit of not placing undue administrative and compliance burdens on government and costs on taxpayers.

24: If you identified an alternate policy option in question 5, please provide estimates of the cost to industry associated with this approach.

Nil Response.

25: Based on the information presented in this paper, which regulatory/non-regulatory policy option do you consider offers the highest net benefit? Please justify your response.

Option 1B – on the basis of prevailing positive impact from label awareness, value to consumers, costs to industry and administration and compliance costs to government and taxpayers.

Consumer recognition and awareness of the existing labelling regime, especially among women of childbearing age, is already exceptionally high and unambiguously understood by the overwhelming majority. Those few who do not understand the meaning of the pictogram require early intervention and education.

A pictogram on a label is not a silver bullet for change, but the label is a clear and important reminder that drinking is best avoided while pregnant or if trying to get pregnant (as per the current NHMRC advice), and serves as a prompt/call to action to seek more information. Given that this is the purpose of on-label warnings, they have proven to be highly effective in their current form.

The Brewers Association of Australia, representing Australia's major beer companies of Carlton & United Breweries, Lion Beer Australia and Coopers Brewery, is bewildered that other alcohol companies have not followed the lead set by our members.

Regulation is not required for those already 100% compliant. Any government response to the failure of others in the alcohol sector to be compliant after six years of voluntary labelling should be directed specifically at bringing those players up to speed. As such, there are mechanisms available under Option 1B for industry to step up – as the major brewers have successfully demonstrated – and spare government the administrative and compliance cost under the burden of regulation.