



BREWERS
ASSOCIATION

Alcohol Labelling

Australia's major brewers support pregnancy warning labelling on all alcoholic products. We would not support governments being prescriptive on where images need to appear on the bottle or mandating size requirements, but there is no doubt the alcohol industry has a positive role to play.

On nutritional labelling, industry and consumers have moved on since 2009 Blewett Review. The advent of Apps, backed by websites, mean that today there is no shortage of nutritional information. Through mobile devices consumers can scan barcodes or QR codes to have all the information they could ever want literally at their fingertips. The label is simply out-dated.

The nutritional content of every product sold by Brewers Association members is detailed online, accessible at any time – pre-shopping purchase, at time of purchase (via Apps) and post-purchase. This product information is extensive, denoting more detail than could ever be placed on a label.

Industry marketing experience in the provision of consumer information indicates that the more information that is added to labels lessens the effectiveness of messaging. Due to clutter, it may detract from existing information, such as pregnancy warnings, number of standard drinks, allergen information, DrinkWise direction, etc.

The Facts

Australians today are better equipped and more informed about responsible alcohol consumption than ever before. This is evident in consumption per capita falling, decade on decade, for the past 40 years. Australians are very savvy when it comes to accessing information and they are early adopters of new technologies.

Consumption

- The Australian Bureau of Statistics records the long-term trend in alcohol consumption in Australia in steady decline for over 40 years. Consumption per capita in 2016-17 was lower than any point since 1961-62, continuing a decade-on-decade decline as moderate consumption became the norm in Australia.
- Australian Bureau of Statistics, Apparent Consumption of Alcohol 2016-17, September 2018.
- According to the ABS, Australians today are drinking less alcohol overall in more than 55 years. Across all alcoholic beverages, there were 9.4 litres of pure alcohol available for consumption in 2016-17 for every person in Australia aged 15 years and over. This is the lowest level since 1961-62.
- Australian Bureau of Statistics, Apparent Consumption of Alcohol 2016-17, September 2018.



- The pattern of alcohol consumption has changed significantly over this period. 40 years ago, beer accounted for three-quarters of all alcohol consumed. Today it is 39.2% beer, 38.3% wine, 18.1% spirits (including RTDs) and 3.4% cider.
 - *Australian Bureau of Statistics, Apparent Consumption of Alcohol 2016-17, September 2018.*
- Over the past decade we have seen the popularity of low- and mid-strength beers grow markedly. Mid-strength and low-strength beers now account for more than one-quarter of all beer sales – at 26.5% of total sales, mid-strength makes up 22.3% of all beer volume available in Australia, while low-strength beer accounts for 4.2%.
 - *Australian Bureau of Statistics, Apparent Consumption of Alcohol 2016-17, September 2018.*
- We've come a long way since the days of the 6 o'clock swill in the 1960s, and when alcohol consumption peaked at 13.1 litres per capita in 1974-75. From that peak to 2016-17, the ABS reports that there has been a 27% drop in total alcohol consumption to 9.4 litres per capita in Australia.
 - *Australian Bureau of Statistics, Apparent Consumption of Alcohol 2016-17, September 2018.*
- For beer's part, over the same period, the ABS notes that consumption has fallen from around 9.5 litres per capita in the 1974-75 to just 3.68 litres in 2016-17 – a 61% drop.
 - *Australian Bureau of Statistics, Apparent Consumption of Alcohol 2016-17, September 2018.*
- Fewer people in Australia drink alcohol in quantities that exceed the lifetime risk – down to 17% in 2016 compared to 21% in 2004.
 - *Australian Institute of Health and Welfare, National Drug Strategy Household Survey 2016.*

Underage drinking

- According to the Australian Institute of Health and Welfare, 82% of 12-17 year olds in Australia do not drink any alcohol at all.
 - *Australian Institute of Health and Welfare, National Drug Strategy Household Survey 2016.*
- This latest result of 82% abstinence among teenagers confirms a long-term trend of continuous improvement, up from 56.5% in 2007. This trend is overwhelmingly positive.
 - *Australian Institute of Health and Welfare, National Drug Strategy Household Survey 2016.*
- Further, that those aged 12-17 drinking at lifetime risky drinking patterns fell from 4.2% in 2010 to 1.3% in 2016.
 - *Australian Institute of Health and Welfare, National Drug Strategy Household Survey 2016.*
- And that those aged 12-17 at risk of drinking harm on a single occasion fell from 14.1% in 2010 to 5.4% in 2016.
 - *Australian Institute of Health and Welfare, National Drug Strategy Household Survey 2016.*
- What is clear is that underage drinking is in consistent long-term decline in Australia and the age of initiation (having a first drink) continues to increase. Age of first drink has moved up from 14 years old in 2004 to 16 years old in 2016.
 - *Australian Institute of Health and Welfare, National Drug Strategy Household Survey 2016.*

Pregnancy and alcohol

- The rates of abstention among pregnant women have increased dramatically, up from 40% in 2007 to 55.6% in 2016.
 - *Australian Institute of Health and Welfare, National Drug Strategy Household Survey 2016.*
- Women (aged 14-49) who did consume alcohol during pregnancy are doing so at low levels, with 97.3% consuming no more than 1-2 standard drinks over the course of their pregnancy in 2016 – up from 95.8% in 2013. The AIHW found that the percentage of women consuming at higher rates was too small to record with accuracy.
 - *Australian Institute of Health and Welfare, National Drug Strategy Household Survey 2016.*



- In 2017, CUB, Lion and Coopers had been 100% compliant with voluntary pregnancy warning labels across all of the products they produce since 2014.
- *Evaluation Report on Voluntary Pregnancy Labelling, Australian Government Department of Health, December 2017.*
- At more than \$2.6 million a year, the beer industry through CUB, Lion and Coopers makes the largest investment in cultural change and education initiatives for young people, pregnant women and parents through DrinkWise Australia.
- *DrinkWise Australia 2018.*

Pregnancy warning labels

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. While most have got on board, after six years of voluntary pregnancy labelling it is disappointing that in 2018 many still have not.

We would not support governments being prescriptive on where images need to appear on the bottle or mandating size requirements, but there is no doubt industry has a positive role to play.

We take Foetal Alcohol Spectrum Disorders (FASD) seriously and we are keen to partner with government on practical, workable solutions.

It would be naïve to think a symbol on a label is a silver bullet for change. The symbol's intent on the label is a reminder that drinking is best avoided while pregnant or if trying to get pregnant and while breastfeeding, and it serves as a prompt 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.

Nutritional labels: Understanding the issues & assessing the need

The Brewers Association of Australia wholly endorses consumers having access to nutritional information to enable them to make informed choices.

Recent attempts to revive the recommendations from the 2009 Blewett Labelling Review have shed modern light on both the limitations of labels as a means of informing consumers and revealed that, today, the information gaps identified in 2009 have already been filled by industry initiatives that are more responsive to, and focused on, today's consumer needs and trends.

Typically, the desire to place nutritional information on labels falls into two categories, which encounter practical obstacles to their effectiveness:



Informing consumers

- Product labelling is unlikely to be the most effective means of informing or educating consumers in 2017. The energy labelling solution was posed in 2009 and, since that time, technology and the way consumers interact with purchases has changed markedly. There are more effective and less costly ways to inform consumers.

Addressing obesity/weight management issues and driving behavioural change

- Given alcohol is just one of many factors related to weight management, and its impact is unclear, there is no reasonable basis to assume that energy labelling of alcohol will be an effective mechanism to drive behavioural change and address weight management issues.

Under Australian regulation, it is voluntary to include energy and nutrition information on the labels of alcoholic beverages, unless a nutrition claim is being made, i.e. low-carb.

Today, there are more dynamic and appropriate technologies available to inform consumers and keep them up-to-date, such websites, social media, calorie calculators and web/smartphone applications that are significantly more effective in informing and educating modern consumers.

In considering labelling issues, policy makers must consider and better understand the problem they are seeking to solve and assess their appropriateness for the purpose.

Industry marketing experience in the provision of consumer information indicates that the more information that is added to labels lessens the effectiveness of the message. Due to clutter, it may also detract from existing information, such as pregnancy warnings, number of standard drinks, allergen information, DrinkWise references, etc.

Further, 2009 thinking should not be used to implement a solution today. Technology and consumer trends have significantly advanced since 2009 and policy should seek to keep pace rather than default to the thinking of almost a decade ago.

There are other, better and more consumer-focussed ways for communicating information (apps, online) rather than cluttering up labels and adding significant, unnecessary expense.

In fact, all members of the Brewers Association provide nutritional information on their products and/or websites based on their own marketing and information strategies. In aggregate, it's clear there is no shortage of nutritional information in today's marketplace.

The arguments for nutritional information on labels is fundamentally flawed

The link between alcohol consumption and obesity/weight gain is tenuous, especially given the overall reduction in alcohol consumption that has occurred since the 2009 Blewett Report recommendations were made.

The research cited by the Health Department asserts that population overweight/obesity increased from 56.3% in 1995 to 63.5% in 2012. The assumption is that alcohol is a key contributing factor.



This is contrary to the fact that alcohol consumption in Australia has decreased markedly over the same period. According to the Australian Bureau of Statistics' *Apparent Consumption of Alcohol 2015-16* Australians are drinking less alcohol overall than any time in the last 50 years. Decade-on-decade, Australians have been consuming less alcohol. In fact, the ABS records a more than 25% reduction in consumption per capita since the mid-1970s.

The Health Department data also indicates that the proportion of the population overweight/obese "has not increased significantly since 2011/12". So what, exactly, is the problem labelling is to fix?

Further, given the Australian Bureau of Statistics' *Australian Health Survey 2014/15* shows that 20% of the Australian population do not consumer alcohol at all, what work has been done to ascertain the obesity/overweight nature of this cohort? This would be pertinent in determining if is alcohol a driver.

The Health Department makes the claim that "alcoholic beverages contributed, on average, 16% of daily energy intake".

This appears unrealistically high, especially in light of the Australian Institute of Health and Welfare's *National Drug Strategy Household Survey 2016* finding that just 6% of the drinking population consume alcohol daily – down from over 9% in 2007, and that risky (heavy) drinking behaviour has fallen from 21% in 2004 to 17% in 2016 and that abstinence among teens is at an all-time high (82% in 2016 compared to 56.5% in 2007).

There is also a lack of evidence to support the view expressed by the Health Department that, in 2017/18, consumers from lower socio-economic backgrounds are impeded from accessing online content. There is no evidence to support this assertion.

This lack of correlation between the stated evidence, the lack of clarity as to the problem to be rectified and the outcomes to be achieved, how do policy makers intend to measure the success or otherwise of labelling measures in meeting its objective of curbing/eliminating overweight/obesity in Australians?

The challenges caused by these ambiguities and the inconsistency between claims for action against official Australian Government data, along with the cost implications of on-label energy notices, far outweigh the ill-defined benefits for more on-label information.

Clearly, more work needs to be done to understand the assumed problem and consumers' need/desire for information, ahead of determining the most appropriate delivery methods for communicating more information if, indeed, more information is needed.

Existing industry initiatives

The beer industry has the expertise and knowledge to speak directly to consumers in a way that public health campaigns are often unable to achieve. Over nine million Australians will drink beer at some stage over the course of a year, giving industry a unique opportunity to directly communicate with a large cross-segment of Australia.

The Brewers Association believes our connection with consumers puts the industry in a position of responsibility when it comes to promoting safe drinking messages; it's our belief that industry and the health sector should collaborate on the best way to deliver these messages.



Voluntary adoption of pregnancy warning labelling

The major brewers have been at the forefront of adopting voluntary measures aimed at educating and reminding Australian women that it is safest not to drink when pregnant.

In 2012, Australia's major beer producers – CUB, Lion and Coopers – voluntarily adopted pregnancy warning labels on products and did so quickly, with 90% covered by July 2013. By the time of the 2017 evaluation Australia's major brewers had been 100% compliant with voluntary pregnancy labelling since 2014.

Conversely, the independent (or craft) beer sector is yet to adopt pregnancy warning labels in any significant numbers.

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.

Brewers Association members, as the leaders in the beer industry, have been well ahead of the original timetable of 80% coverage by the end of 2013.¹ All products made by Brewers Association members now bear the following important and well recognised logo/information:



Policy position: Pregnancy warning labelling

The Brewers Association supports pregnancy warning labelling on all alcoholic products.

We would not support governments being prescriptive on where images need to appear on the bottle or mandating size requirements, but there is no doubt the alcohol industry has a positive role to play.

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 and its members assert that those industry participants who are doing the right thing should not be penalised due to the failure of others to act, and is willing to work with government on ways to bring those elements of the alcohol industry dragging the chain up-to-speed.

¹ Evaluation Report on Voluntary Pregnancy Labelling, Australian Government Department of Health, June 2014

Policy position: Nutritional labelling

The Brewers Association advocates the need for policy makers to first understand consumers' expectations for accessing energy information for alcohol beverages, before the ideal 'interventions or recommendations' are developed – aligned with the end-outcomes.

More needs to be done to understand the assumed problem and consumers' need/desire for information, ahead of determining the most appropriate delivery methods for communicating more information if, indeed, more information is needed.

In the absence of these elements and clarity around them, there is likely to be a considerable financial cost and burden on industry and, ultimately, consumers for no measurable outcome.

The Brewers Association provides the following positions regarding energy labelling:

1. Government and policy makers need to clearly define the intended outcome before seeking solutions. Is the aim to inform consumers or affect change behaviour?
2. The Health Department's work to date infers on-label nutritional information is the only solution. In fact, the Blewett Labelling Logic: Review of Food Labelling Law and Policy (2011) recognised labels in isolation would be unlikely to be effective in modifying behaviours (page 80).
3. The Brewers Association fervently supports transparency and consumers' rights to information in making informed choices. We do not, however, consider product labelling to be the only way to achieve the desired outcome.
4. The Brewers Association does not support the provision of mandatory nutritional information panel or energy values on product labels. We seek the opportunity and flexibility to address public health or information concerns through market-based, industry-led initiatives (with government support) in addressing any perceived problems. Voluntary or co-regulatory approaches, similar to pregnancy warning labels, which see Brewers Association members 100% compliant, are more effective in gaining industry support.
5. Off-label solutions for informing consumers, including, but not limited to, specific and generic web content, company specific web content, applications, as well promotional campaigns, are more effective in modern times for informing consumers.
6. The Brewers Association questions the need to solve a problem that lacks clear definition and direction. For alcohol's part, government resources may be better placed in addressing health-related concerns and informing consumers by supporting industry's work on moderate consumption.

