



EXECUTIVE SUMMARY ONLY

**The Australian Wine Research Institute
and
Winemakers' Federation of Australia**

**Joint Submission to
Food Standards Australia New Zealand**

On

**INITIAL ASSESSMENT REPORT
APPLICATION A576**

**LABELLING OF ALCOHOLIC BEVERAGES WITH A
PREGNANCY HEALTH ADVISORY LABEL**

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Introduction

The Australian wine industry fully supports and is committed to the goal of reducing alcohol abuse and misuse in Australia, as exemplified by the joint initiatives between the Federal government and the industry, including standard drinks labelling and Drinkwise Australia. The industry, however, believes that a requirement for mandatory health warning labels on alcoholic beverages represents a simplistic, indirect and ineffective blanket measure. The introduction of such a transparent measure not only represents over-regulation, but may significantly compromise effective, ongoing research-based measures that have been established to reduce the incidence of, and problems concomitant with, risk alcohol consumption during pregnancy in specific 'high risk' groups in the general population.

The Australian Wine Research Institute (AWRI) is funded by the Grape and Wine Research Corporation, which is supported by the Australian winemakers and grapegrowers through their investment body, the Grape and Wine Research and Development Corporation with matching funds from the Australian government.

The Winemakers' Federation of Australia (WFA) is the peak national body representing wine enterprises of all sizes across Australia. Voluntary membership represents in excess of 95% of wine production in Australia.

The Australian wine industry is one of our country's major success stories. Over recent decades, the sector has enjoyed strong production and export growth, substantial investment, high levels of innovation and increased employment, particularly in regional communities. The wine industry has contributed positively to the economy, through income and employment particularly in regional areas, as well as through multiplier effects to other industries (including tourism and retail) and the balance of payments in major export earning.

In 2006-07 the value of domestic sales reached \$1.9B and the value of export sales \$3.0B. ABS Census data indicate that direct employment in the grape growing and wine making industries exceeded 30,000 in 2001. In addition, once allied supply industries are taken into account, the number of jobs supported by the wine industry is estimated at around 57,000 people for 2001.

Table 1: Snapshot of the Australian Wine Industry

(2006-07 figures unless otherwise indicated)		
Wineries (2006) ¹	number	2,146
With Cellar Doors	number	1,565
Direct Employment (2001) ²		
Grape Growing	number	15,629
Wine Making	number	14,480
Wine Grape Crush ³	'000 tonnes	1,420
Wine Production ³	million litres	1,050
Domestic Sales - Volume ⁴	million litres	449
Domestic Sales - Value ⁴ (2005/06)	\$A million	1,899
Exports - Volume ⁵	million litres	798
Exports - Value ⁵	\$A million	2,994
Imports - Volume ⁴	million litres	34
Imports - Value ⁴	\$A million	307
Taxation (2006)		
Wine Equalisation Tax	\$A million	660
Goods and Services Tax	\$A million	450

*Sources:*¹ *Australian and New Zealand Wine Industry Directory 2007*² *ABS Catalogue No: 1329.0 Australian Wine and Grape Industry*³ *WFA crush estimate. WFA Production estimate based on extraction rate of 740 litres of wine produced per tonne. Extraction rate derived from ABS*⁴ *ABS Cat No. 8504.0 Sales of Australian Wine & Brandy by Winemakers*⁵ *AWBC WINEFACTS Statistics*

The industry, mindful of its responsibility as a producer of alcoholic beverages, is actively involved in education and research initiatives. For example, the industry sponsored and is sponsoring both independent and industry-collaborative research programs, and also sponsors the collection, analysis and dissemination of information on all aspects of alcohol consumption, which is available to the community, and actively encourages the inclusion of lectures on the pharmacology and physiology of alcohol in oenology, viticulture and wine-marketing courses, and in alcohol beverage retail/service courses, as well as discussions with, and talks to, community and school groups.

The research programs include gender differences in the metabolism of alcohol, the effects of wine on the human cardiovascular system and in the initiation and progression of certain cancers, and the potential allergenicity of wine and wine products. Current and past collaborators include the CSIRO Division of Human Nutrition, Flinders University, Heart Research Institute, Royal Melbourne Hospital, St Vincent's Hospital Melbourne, The Alfred and Monash University, and The University of Western Australia. Conferences, seminars and symposia on alcohol-allied issues have also been sponsored by the Australian wine industry, the objective of which has been to facilitate discussion and debate between academia, government, health practitioners and industry, in order to give direction to future research, and to future political and social policies.

Alcohol Policy Framework

Following is an extract from the Winemakers' Federation of Australia Policy Statement for the 2007/08 Pre-Budget Submission in relation to the Australian Government alcohol policy and regulatory framework:

- *acknowledges that alcohol is a broadly accepted part of Australian life, and that the policy and regulatory framework should not discourage responsible consumption;*
- *ensures that decisions regarding alcohol policy and regulation are based on sound scientific fact, backed up by reliable evidence;*
- *ensures that there is a formal process of consultation with the Australian wine sector on policy and regulatory positions taken both in domestic and global forums that impact the operating environment of grape growers and winemakers;*
- *consults and actively engages the Australian wine sector on decisions made and positions taken regarding alcohol policy at the World Health Organisation and associated forums;*

This submission to FSANZ is made with these policy principles in mind: based on sound scientific fact backed by reliable evidence.

The Australian wine sector is a major contributor to the economic and social fabric of Australian life. Responsible for employing more than 60,000 Australians, generating more than \$3 billion in export earnings and fostering the prosperity of many regional communities, the Australian wine sector creates a product that is responsibly enjoyed by millions of people around the world every day. When consumed in moderation, in a manner consistent with the existing 2001 NHMRC Australian Alcohol Guidelines, wine is part of a healthy lifestyle.

The industry also recognises when wine or other alcohol products are consumed to excess, either in the short- or long-term, they can contribute to a range of social and physical harms. Alcohol abuse is an unnecessary blight on an otherwise positive industry.

The Australian wine sector has a responsibility to continue working with the Australian Federal Government and the wider community to ensure the benefits of moderate wine consumption are maximised and excessive consumption and associated harms are minimised in every possible way. This includes consultation and partnership across regulatory and policy deliberations for both the domestic and international environment.

The AWRI and WFA are pleased to provide a response to the Initial Assessment Report on Application A576 – Labelling of alcoholic beverages with a pregnancy health advisory label on behalf of the Australian wine sector.

Executive summary

The introduction of labelling of alcoholic beverages with a pregnancy health advisory label is not supported by The Australian Wine Research Institute and the Winemakers' Federation of Australia for the following five reasons based on an evaluation of the scientific literature:

1. Conflicting and inconclusive evidence

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

The data also suggests that there are confounders such as the nutritional status of the mother, her ingestion of drugs including caffeine and nicotine, her age, and her educational, ethnicity, genetic, marital, parity and socio-economic status which contribute to the development of FAS/FASD.

2. Incidence of FAS/FASD in Australia is low

The incidence of FAS in Australia is low, which reflects the size of the readily identifiable 'at risk' group. In Australia, only 1.0–4.3% of the 48–58 % of women who consume alcohol while pregnant, consume excessively and continually, and the incidence of FAS is *ca.* 0.014–0.02/1,000 live births and the incidence of low birth weight is 4/1,000 live births. These statistics have remained stable over the past decade, which reflects the size of the readily identifiable 'at risk' groups.

The incidence of FAS is higher however, in children born to indigenous Australians (Aboriginal Australians), 2.76/1,000 live births, which is consistent with other countries data for indigenous groups. The 'at risk' groups identified include indigenous Australians, heavy alcohol consumers and young Australian women.

This low incidence in comparison with certain other countries, may reflect other different alcohol consumption patterns, diet and lifestyle, which could reduce confounders.

3. Level of awareness is high and there are readily available print and website materials for women

This low incidence may also reflect the high level of awareness of the potential effects of heavy alcohol consumption on the developing foetus during pregnancy. There is a myriad of print and website materials readily available for women, which has been produced by the Australian Federal and State governments, the New Zealand government, allied health organisations and other NGOs.

4. Health warning labels are not an effective strategy to change consumer behaviour

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 be not effected.

If a purpose of the labelling is to increase awareness of the label and risk, then data from the USA suggest that this purpose will be achieved, but it does not follow that beliefs and behaviour are effected or influenced.

If, however, 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.

5. Brief interventions by primary health care providers are an effective strategy to change behaviour

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-affected child in both State and Federal governments', and NGO's plans and policies.

6. Potential negative impact on pregnant women

Blanket warnings and recommendations for total abstinence by pregnant women serve little purpose other than to instill unnecessary anxiety, fear and guilt in those women at little or no risk.

Concluding comments

In conclusion, the application from the Alcohol Advisory Council of New Zealand (ALAC) has been prepared on the basis that all women are 'at risk'. It has been demonstrated in the literature, however, that there are readily identifiable 'at risk' groups in a population that behave differently to the 'not at risk' groups; this is reflected in their continuance of alcohol consumption during pregnancy and a consistency of the level of consumption (Hilton and Kaskutas, 1991; Mayer *et al.*, 1991; Hankin *et al.*, 1996; Gladstone *et al.*, 1997; Stutts *et al.*, 1997). Indeed, the 'at risk' groups do not generally perceive that they are significantly 'at risk' (Stutts *et al.*, 1997).

While blanket recommendations such as warning labels on alcoholic beverages, and general campaigns and programs are effective for the 'not at risk' group, the 'at risk' groups have specific problems, which are amplified and exemplified by their excessive consumption.

'At risk' groups in a population behave differently to the 'not at risk' groups (Hilton and Kaskutas 1991, Mayer *et al.* 1991, Hankin *et al.* 1996). Blanket recommendations, such as health warning labels on alcoholic beverages, and general campaigns and programs are effective only for the 'not at risk' groups.

'At risk' groups have specific problems and, therefore, specific and targeted campaigns and programs which tackle the specificities rather than the generalities, will succeed only in reducing the incidence of FAS/FASD in these groups.

It is, therefore, recommended that the current effort and energies being expended by State and Federal governments and NGOs should be redirected to address specific and targeted education of the 'at risk' groups by their:

- community health centre(s);
- general practitioner(s); and
- obstetrician(s)/paediatrician(s).

Professional intervention to alter drinking patterns and confounding problems rather than a 'social' intervention is required.