



## **Obesity Policy Coalition submission March 2023**

### **FSANZ assessment of energy labelling on alcoholic beverages – P1059**

We welcome the opportunity to provide our views on the FSANZ proposal on energy labelling on alcoholic beverages.

Obesity Policy Coalition (OPC) supports mandatory, on-label energy information for all alcoholic products, displayed in a truncated Nutrition Information Panel (NIP) displaying energy only. This must be accompanied by a supporting education campaign. We support energy labelling on alcoholic beverages as it will provide consumers with information about the energy content of alcohol products and enable consumers to consider the contribution that alcohol makes to energy in their diet.

The goal of energy labelling on alcohol products should be to inform consumers and support them to reduce alcohol use and, consequently, energy intake from alcohol. It is of fundamental importance that the design and application of alcohol energy labelling does not in any way promote increased use, undermine consumer understanding and use of standard drinks or present alcohol as a safe or 'healthier' choice or as a part of a healthy diet. Reduced alcohol use should be the primary aim both from an obesity prevention perspective, and from the perspective of reducing broader alcohol harm. To achieve this, we recommend FSANZ undertakes consumer testing on proposed and alternate labels.

#### **Format**

##### Tabular format and heading

We support FSANZ's proposal to require energy content to be displayed in a truncated NIP with the heading ENERGY INFORMATION. We think it is important to include a heading to signpost the information to consumers, to ensure it does not get lost on the label and to ensure the information is correctly identified as mandatory food regulatory information, rather than promotion by the alcohol company. We do not support the heading 'nutrition information' as it does not correctly identify the information that is provided on the label, as it only includes energy content.

##### Units of Measure

We support FSANZ's proposed approach to require the inclusion of kilojoules or kilojoules and kilocalories, to not more than three decimal places.

##### Basis of energy content information – quantity per 100ml and per serving

We support including energy content per 100ml on all alcohol products.

We strongly oppose FSANZ's proposal to allow alcohol companies to determine their own serving size and to display this as a 'per serve' column in addition to the per 100ml content. Allowing companies that produce and/or sell a harmful product to determine a 'normal' serving is problematic and is unlikely to result in the best outcome for public health. Instead,

alcohol companies are most likely to choose the option that best serves their interests of increasing profit.

While we strongly oppose the alcohol industry determining a serving size for alcohol products, we do not support the inclusion of per serve labelling for alcohol even if it was determined by FSANZ. This is because the display of a serving amount on alcohol implies that the amount listed is a normal, safe or recommended amount for consumption, and this is problematic when applied to alcohol, a harmful product, that is a known carcinogen.

We are concerned there are risks that the introduction of serving sizes would cause confusion and undermine consumer understanding of existing standard drink measures, and lead people to consume larger quantities of alcohol, resulting in higher energy intake as well as increased health risks associated with alcohol consumption.

We recommend FSANZ conduct consumer testing to ensure that any proposed label is clear to consumers and supports reduced alcohol consumption, while giving consumers information about energy content. Testing must ensure that consumer understanding and use of standard drinks is not undermined by energy labelling options and that it does not risk promoting alcohol consumption.

We acknowledge that displaying energy content per serve is the approach taken for food and beverage labelling, however consistency with food and beverage labelling should not be the primary consideration. Alcohol is a harmful product and the strongest public health imperative must be to encourage people to reduce their alcohol use in line with the NHMRC Australian Alcohol Guidelines, and to promote understanding of standard drinks labelling. This will also support people to reduce energy intake from alcohol and is consistent with the Australian Dietary Guidelines recommendation that *'limiting alcohol intake is an important strategy for achieving appropriate energy intake'* and the Eating and Activity Guidelines for New Zealand adults.

In the absence of strong consumer testing, we consider the best option in addition to per 100ml labelling is to display energy content per bottle/can/container. It is important that this is not labelled as a serve. The 'per container' measure would allow a consumer to consider the energy content of an alcoholic product in the way they may be intending to consume it, without conveying a particular recommended or standard serving size. This is particularly important in regard to bottles or cans of beer, cider or ready to drink mixed drinks in containers that would typically be consumed in one sitting when opened. Even where consumers are not likely to drink an entire container in one sitting, this 'per container' information would still be useful to allow comparison, and by enabling consumers to easily calculate the energy content of 1/3 or 1/2 of a bottle, for example.

Another option that FSANZ has considered is labelling per standard drink in addition to per 100ml. While this approach does not risk undermining consumer understanding and use of standard drinks, we are concerned that this will be of limited use to consumers when purchasing alcohol products, as the energy content per standard drink is likely to be similar across many different products. In many cases, a standard drink is also not reflective of the volume of an alcohol product that is likely to be consumed on one occasion.

We note that our view on the best current option is based on our understanding and consideration of the possible or likely impact of alcohol energy labelling on consumer understanding and behaviour. Ultimately, we recommend that FSANZ choose the labelling outcome that is most likely to reduce alcohol consumption and therefore reduce alcohol harm as well as energy consumption from alcohol. To assess this, we recommend consumer testing as to how the consumer understands information presented in different formats, and the impact this may have on alcohol consumption and understanding of standard drinks.

### Percentage daily intake

We do not support allowing alcohol products to display the percentage daily intake on the label, particularly for something which is a known carcinogen. This is because this is not appropriate for a harmful product as it risks implying that alcohol consumption has a role to play as part of a consumer's regular diet. It may also risk increasing alcohol consumption.

It is important that FSANZ consider this in the context of whether this will reduce alcohol consumption. It should not be permitted only because this is permitted on food and drink labels.

### Legibility and location

We support the proposed approach.

### **Options for implementation**

We strongly support mandatory energy labelling on all alcohol products.

Mandatory energy labelling is the only option that will address the problem statement outlined by FSANZ that "*Labels on most packaged alcoholic beverages do not provide information about energy content to enable consumers to make informed choices in line with dietary guidelines*". It is also the only option that is consistent with the *Policy Guideline on Food Labelling to Support Consumers to Make Informed Healthy Food Choices*, in particular its guidance that '*Food labels should provide adequate information to enable consumers to identify foods that do and do not contribute to healthy dietary patterns recommended in the Dietary Guidelines*'.

To be effective in achieving the objectives of informing consumers about the energy content of alcoholic products, increasing understanding of the energy contribution of alcohol to diets, and enabling effective product comparisons and lower energy choices, it will be crucial that energy content labels appear in a standard form on all packaged alcoholic products.

A voluntary labelling scheme would likely result in inconsistent uptake by alcohol companies, and/or selective application to lower energy products. This may have the effect of providing a 'health halo' or indirectly promoting consumption of alcohol, which must be avoided. Evidence from evaluation of voluntary food and alcohol labelling initiatives indicates that voluntary approaches do not result in widespread or consistent implementation of labelling interventions.

In December 2011, the Legislative and Governance Forum on Food Regulation gave the alcohol industry two years to voluntarily adopt pregnancy warning labels on alcohol products before labels were implemented under government regulation. Evaluation of voluntary implementation of pregnancy health warnings found that only 38.2% of products surveyed displayed the pregnancy warning label.<sup>1</sup>

Industry uptake of the voluntary Health Star Rating (HSR) labelling system has been low, with the five year review finding that only 31% of eligible food products in Australia displayed HSRs in 2017-18.<sup>2</sup> In addition, research shows that products with a higher HSR are more

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<sup>1</sup> Siggins Miller. Evaluation of the voluntary labelling initiative to place pregnancy health warnings on alcohol products. Final Report. 23 May 2014.

<sup>2</sup> Mpconsulting on behalf of the Australian Government. Health Star Rating system: Five year review report. May 2019,

likely to be using the system, with more than 3 out of 4 products displaying a HSR logo having a rating of 3 stars or above.<sup>3</sup> This shows that many food manufacturers are using the HSR selectively on higher rating products.

A 2017 study analysing voluntary implementation of calorie labelling of alcohol products as part of the Public Health Responsibility Deal in England found that only two of 156 product labels examined (1.3%) included calorie information.<sup>4</sup>

## **Application of energy labelling**

### Application to different types of sales

We do not support FSANZ's approach to exempt certain sales from the requirement to provide energy labelling on alcohol products. In our view, if an alcohol product is packaged and then sold directly to a consumer, energy labelling should be required. This is because all consumers should be provided with the energy information, and there is no sound basis to exclude certain types of sales.

In particular, we strongly oppose exclusions for alcohol that is made and packaged on the premises from which it is sold (e.g. a winery or brewery) and for alcohol that is delivered packaged and ready for consumption, at the express order of the purchaser. These exclusions have the potential to affect a significant number of consumers, as alcohol is commonly purchased directly from a winery or brewery or delivered from an online sale. These types of sales are likely to grow into the future and if consumers are not provided with energy information in these circumstances, then this risks significantly undermining the policy.

It is also very important that energy information is required to be provided for all online sales of alcohol, where labels are not always displayed in a way that can be read.

### Application to different types of packages

We do not support FSANZ's proposed approach to require energy labelling only on one layer of packaging. It is important that energy information is available to consumers at the point of purchase, and at the point of consumption. This means that where individual bottles or cans are not sold separately, but as part of a larger pack, the energy information should be displayed both on the outer layer of packaging (eg the carton, box or cardboard wrap) and on each individual bottle or can.

We also do not support the proposed exclusion for small packages.

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<http://www.healthstarrating.gov.au/internet/healthstarrating/publishing.nsf/Content/formal-review-of-the-system-after-five-years>

<sup>3</sup> Shahid M, Neal B, Jones A. Uptake of Australia's Health Star Rating System 2014–2019. *Nutrients*. 2020; 12(6):1791. <https://doi.org/10.3390/nu12061791>.

<sup>4</sup> Petticrew M, Douglas N, Knai C, Maani Hessari N, Durand MA, Eastmure E, Mays N. Provision of information to consumers about the calorie content of alcoholic drinks: did the Responsibility Deal pledge by alcohol retailers and producers increase the availability of calorie information? *Public Health*, 2017, 149, pp 159-166.

## Other issues

### Calculation of average energy content

We support the proposed approach, although we note the importance of ongoing monitoring to ensure that energy information is accurate across and within product categories.

### Voluntary display of Nutrition Information Panel

We do not support the proposal to allow alcohol companies to voluntarily display the full Nutrition Information Panel (NIP). This is because this is likely to be used only in situations where it may risk giving the product a 'health halo' and indirectly promoting alcohol consumption. This is likely to occur because, in many cases, most of the nutrients in a full NIP on alcohol products would have zero values. This means a full NIP would lack value for consumers and may lead to confusion and/or the impression that zero values indicate that alcoholic products are healthy or healthier choices.

The risk of a full NIP indirectly promoting alcohol consumption is of significant concern, and we ask FSANZ to consider whether there is evidence that providing a full NIP on alcohol products will be beneficial to consumers and encourage reduced alcohol consumption.

### Nutrition content claims about energy

We do not support nutrition content claims about energy on alcohol products and ask FSANZ to include this as part of P1049 on sugar and carbohydrate claims. Energy information on alcohol products should be provided in a standardised form to all consumers on all products and should not be used to promote alcoholic products. These marketing claims used by alcohol companies risk creating 'health halos' in relation to alcoholic products and may lead consumers to believe that some alcoholic products are healthy or 'better for you', undermining consumers' understanding of the health impacts of alcohol consumption, and potentially leading consumers to consume more alcohol. This is contrary to public health advice to reduce or limit alcohol consumption – as set out in the Australian Alcohol Guidelines, the Australian Dietary Guidelines, and the Eating and Activity Guidelines for New Zealand adults.

We are aware that industry stakeholders will highlight the *Policy Guideline on Food Labelling to Support Consumers to Make Informed Healthy Food Choices (Policy Guideline)*, in particular its guidance that '*Food labels should provide adequate information to enable consumers to identify foods that do and do not contribute to healthy dietary patterns recommended in the Dietary Guidelines*'. In our view, this guideline does not support nutrition content claims on alcoholic products. This is because those claims are used to promote alcoholic products and may lead consumers to believe that some alcoholic products are healthy options, minimising the serious health impacts of alcohol consumption.

Any claims that may encourage or promote alcohol consumption cannot be described as enabling consumers to identify foods that do and do not contribute to healthy dietary patterns recommended in the Dietary Guidelines. We note the Policy Guideline specifically says that '*...information that supports consumers to apply the recommendations in Dietary Guidelines should be provided on food labels in a format which:.... does not promote consumption of foods inconsistent with Dietary Guidelines...*'. We also highlight the *Policy Guideline on Nutrition, Health and Related Claims*, which suggests that categories of foods, including alcohol, can be excluded from claims.

We ask FSANZ to include energy claims as part of its consideration of P1049.

## **Costs and benefits**

We strongly support a broad approach to assessing the benefits of energy labelling on alcoholic products. This must include considering the broader harms of alcohol consumption, as well as the impact on overweight and obesity associated with reduced energy intake from alcohol, when assessing the likely impact of the labelling and reduced alcohol consumption. If these broader alcohol harms are not considered the economic analysis will not give a complete picture of the economic impact of these proposed changes.

## **Implementation**

We do not support the proposed three year implementation period, and recommend this be reduced to two years.

## **Education**

We strongly support the need for an education campaign to support the introduction on energy labelling on alcohol products.