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NSW Wine Industry Association Submission in response to the FSANZ P1050 – Pregnancy warning labels on alcoholic beverages

October 26th, 2019

To whom it may concern,

The NSW Wine Industry Association (NSWWIA) has agreed to make a submission in response to the **FSANZ P1050 – Pregnancy warning labels on alcoholic beverages**.

The NSWWIA is an Association formed in 1994 to represent the interests of the growers and producers of wine in NSW. The NSWWIA has 3 major roles:

1. To be a conduit of information both upstream to the likes of the national bodies, Wine Australia, Australian Vignerons and the Winemakers Federation of Australia, and downstream to regions, producers and growers. This information covers many forms from Research & Development, Export, Trade, Regulatory etc.
2. To represent the NSW Wine Industry in discussions and consultation with the NSW State Government.
3. To promote NSW wine and grapes. This can be in areas such as tourism, promotional activity and media.

The NSWWIA is somewhat unique in that we represent both producers and growers alike. Indeed, our constitution requires, for example that the board has a representative of the Riverina Winemakers Association and also the Riverina Wine Grapes Marketing Board.

In terms of the contribution of NSW, we are Australia's second largest wine producing state, accounting for one third of the nation's output. Consumption is growing in domestic and export markets with significant developments in premium, fast growing Asian markets. In the end, NSW wine makes an important economic contribution in terms of tourism, business turnover and jobs created.

Some significant statistics:

- NSW has 16 diverse wine regions. 14 are fully within our state boundaries. They vary from large regions such as the Riverina that produces large volumes of wine for commercial (and other) wine companies to small regions such as Tumbarumba or New England with a focus on premium wine production.

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- There are approximately 506 wineries, 378 Cellar Doors and 34,000 hectares under vine.
- NSW produces approximately 492 million bottles per annum.
- NSW crushes around 500,000 tonnes of wine grapes per annum.
- The NSW Wine Industry employs roughly 21,000 directly and 53,000 indirectly
- The Wine industry is worth \$1.6Bn which includes activity beyond the farm gate
- Exports of NSW wines totals more than \$500m, which makes it NSW's 4th largest primary industry export
- Over \$2Bn is spent on food and wine tourism in NSW.

The NSWWIA has a strong interest in the outcome of this submission and would be very happy to assist in any way practicable. This could include:

- the facilitation of meetings between NSW based grape growers and/or wine producers at a convenient time.
- A further direct consultation (after the submissions have been reviewed) to enable review and questions of the wine industry.

Yours truly,

Executive Officer
NSW Wine Industry Association

Proposal P1050 – Submission Template

Please use the template below to provide your submission to Proposal P1050 – Pregnancy warning labels on alcoholic beverages. Please submit this to FSANZ as a word document (if required, a pdf of the submission may also be provided in addition to the word document).

For information about making a submission, including what your submission should include, visit the FSANZ website at [information for submitters](#).

Submission to Proposal P1050 – Pregnancy warning labels on alcoholic beverages

A. Name and contact details (position, address, telephone number, and email address):

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B. For organisations, the level at which the submission was authorised:

This submission has been made with the direct approval of the President and Vice President (Government Relations) and will be ratified by the Executive Committee at the meeting being held on Monday 28th of October, 2019

C. Summary (optional but recommended if the submission is lengthy):

The NSW Wine Industry Association (NSWWIA) supports the Australian Governments combating of Fetal Alcohol Spectrum Disorder (FASD). We

acknowledge that this is a serious issue that requires attention from both industry and government.

The NSWWIA works in close alignment with our National representative body, namely Australian Grape and Wine, and as such, we have worked with them on this submission and the NSWWIA endorses the submission made by Australian Grape & Wine (AGW). We also support the work being done by AGW to support the DrinkWise Australia FASD Awareness Program.

We accept the decision of the Ministerial Forum on Food Regulation to pregnancy warning labels.

To quote AGW “Australian Grape & Wine firmly believes that it is the obligation of governments to develop policies that are targeted, evidence-based and effective. Responding to issues relating to FASD, which are unequivocally associated with the consumption of alcohol, presents an opportunity for the government to do just that. However, such policies should, seek to meet these objectives at the lowest possible cost to Australian businesses and consumers. We (AGW) also accept our responsibility to work with government to help develop solutions to issues related to the misuse of alcohol”

Like AGW, the NSWWIA are concerned that the draft warning label proposed by FSANZ does not meet the principles and objectives in the above paragraph.

In particular:

1. FSANZ has exceeded the mandate provided to it by the Ministerial Forum, by producing a prototype label that issues a general “Health Warning”, as opposed to the pregnancy warning requested by Ministers.
2. There is insufficient evidence to support the argument that the benefits derived from mandating use of the colour red on labels will outweigh the significant costs to wine businesses, and for similar reasons
3. The rationale for mandating a larger warning, compared to the current voluntary scheme, is not supported by sound evidence and is at odds with the current requirements for warning statements found in the Food Standards Code.

The NSWWIA believes that there is a strong case for Ministers to consider a warning label that is as similar in size, colour and design to the existing voluntary labels. These are widely adopted by wine businesses, and have a strong recognition and comprehension factor by Australian consumers.

Comments to specified sections of P1050 Call for Submissions (CFS) report:

D. Literature review on the effectiveness of warning labels (section 3.1.1 of CFS)

The NSWWIA is concerned and disappointed that the literature review fails to take examples from studies directly relating to pregnancy warning labels. Instead it draws comparison between pregnancy warnings and warning labels for other conditions. It is not possible to suggest that a reader would have the same response to warnings for different conditions.

E. Consumer testing of warning statements (section 3.1.2)

We believe that the existing DrinkWise label should be tested to gain a baseline model and that we believe is performing well.

F. Pictogram (section 3.2.2.2)

NSWWIA supports the use of a Pictogram in general, but does not support the specific Red Circle and strike through. It is expensive and may be completely out of character to the existing label.

G. Warning statement (section 3.2.2.3)

The NSWWIA has chosen not to comment on this specific area due to insufficient time to research and provide a comprehensive response

H. Design labelling elements (section 3.2.2.4)

The NSWWIA is strongly concerned about the use of the words “Health Warning”. The Ministerial Forum had asked FSANZ to develop a Pregnancy Warning” label and this is what we believe should be the phrase used.

I. Summary of proposed pregnancy warning label design (section 3.2.2.5)

The NSWWIA has made comments previously about the use of the word “Health Warning” (see H.) We would also like to make a comment on the proposed container sizes being discussed.

In line with AGW, the NSWWIA agree with FSANZ’s approach to allow containers equal to, or less than 200ml to carry the pictogram only. As advised by AGW, we understand some other stakeholders have proposed that this exemption should be extended to beverages up to 400ml. if so, the NSWWIA oppose this exemption. It is important that mandatory requirements such as this are imposed with competitive neutrality in mind, and that as far as possible, different beverage categories and products (such as beer, wine and spirits) are as equal as practically possible in this matter.

To the extent that there are challenges fitting the proposed label on beer bottles etc, then we believe that the mandatory text and pictogram as set out by FSANZ is small enough to do so and have that apply to all other containers above 200ml.

J. Beverages to carry the pregnancy warning label (section 3.2.3)

The NSWWIA has chosen not to comment on this specific area due to insufficient time to research and provide a comprehensive response

K. Application to different types of sales (section 3.2.4)

NSWWIA accepts the FSANZ recommendation

L. Application to different types of packages (section 3.2.5)

NSWWIA accepts the FSANZ recommendation

M. Consideration of costs and benefits (section 3.4.1.1 of CFS)

NSWWIA suggest a better alternative to what has been proposed is to develop a pregnancy warning labelling standard that is measured, targeted, based on evidence and as similar as possible in size, colour, and design to the current voluntary label. This would meet the objectives of the Ministerial Forum in mandating a pregnancy warning label, while ensuring the costs to business remain relatively reasonable.

There is no evidence to suggest that introducing colour requirements or requiring a larger size will do anything more than capture a slightly higher degree of the

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purchaser or consumer's attention when holding the product. And there is no evidence to suggest that a larger format or red colour scheme will have a significant impact on behaviours. Given this, we urge FSANZ to reconsider the proposed warning label to ensure it is balanced and reasonable for Australian wine businesses.

N. Transitional arrangements (section 4.1 of CFS)

NSWWIA accepts the FSANZ recommendation

O. Draft variation to the Australia New Zealand Food Standards Code (Attachment A of CFS)

The NSWWIA has chosen not to comment on this specific area due to insufficient time to research and provide a comprehensive response

P. Other comments (within the scope of P1050 – see section 1.5 of the CFS)

The NSWWIA has chosen not to comment on this specific area due to insufficient time to research and provide a comprehensive response