



AUSTRALIAN
FOOD AND GROCERY
COUNCIL

SUBMISSION TO

The National Preventative Health Taskforce in response to:

Australia: The Healthiest Country by 2020. A Discussion Paper.

ALCOHOL

24 December 2008

PREFACE

The Australian Food and Grocery Council is the peak national organisation representing Australia's packaged food, drink and grocery products industry.

The membership of the AFGC comprises approximately 150 companies, subsidiaries and associates which constitutes in the order of 80 per cent of the gross dollar value of the highly processed food, beverage and grocery products sectors. (A list of members is included as Appendix A.) The AFGC represents the nation's largest manufacturing sector. By any measure Australia's food, drink and grocery products industry is a substantial contributor to the economic and social welfare of all Australians. Effectively, the products of AFGC's member companies reach every Australian household.

The industry has annual sales and service income in excess of \$70 billion and employs more than 200,000 people – almost one in five of the nation's manufacturing workforce. Of all Australians working in the industry, half are based in rural and regional Australia, and the processed food sector sources more than 90 per cent of its ingredients from Australian agriculture.

The AFGC's agenda for business growth centres on public and industry policy for a socioeconomic environment conducive to international competitiveness, investment, innovation, employment growth and profitability.

The AFGC's mandate in representing member companies is to ensure a cohesive and credible voice for the industry, to advance policies and manage issues relevant to the industry and to promote the industry and the virtues of its products, enabling member companies to grow their businesses.

The Council advocates business matters, public policy and consumer-related issues on behalf of a dynamic and rapidly changing industry operating in an increasing globalised economy. As global economic and trade developments continue to test the competitiveness of Australian industry, transnational businesses are under increasing pressure to justify Australia as a strategic location for corporate production, irrespective of whether they are Australian or foreign owned. In an increasingly globalised economy, the ability of companies to internationalise their operations is as significant as their ability to trade globally.

Increased trade, rationalisation and consolidation of businesses, increased concentration of ownership among both manufacturers and retailers, intensified competition and dynamic, increasingly complex and demanding consumers are features of the industry across the globe. Moreover, the growing global middle class of consumers is more sophisticated and discerning, driving innovation and differentiation of products and services.

The AFGC is working with governments in taking a proactive, even tactical, approach to public policy to enable businesses to tackle the threats and grasp the dual opportunities of globalisation and changing consumer demands.

SUBMISSION

The Australian Food and Grocery (AFGC) welcomes the opportunity to respond to the National Preventative Health Taskforce *Australia: The Healthiest Country by 2020* on the issue of *alcohol*. The AFGC has made another submission on *obesity*.

Alcoholic beverages are considered foods under the Australia New Zealand Food Standards Code (FSC)¹. When consumed they contribute to energy intake derived from alcohol (a nutrient in its own right) and from carbohydrates which may also be present. Alcoholic beverages are subject to many of the requirements of other foods within the FSC (with a few exceptions). Unlike other foods, however, alcohol is also subject to regulatory restrictions to moderate its consumption reflecting that it is a drug. These include limits on alcohol levels in beverages and on the location and times of sale and consumption in public. Further regulations restrict the advertising and promotion of alcoholic beverages, and they are subject to self-regulatory codes.

Alcoholic beverages are, therefore, already highly regulated through a number of mechanisms to encourage responsible consumption and discourage over-consumption.

Although most Australians drink sensibly without appreciable risks to health, the AFGC shares the Taskforce's concern regarding the pattern of drinking occurring in some sections of the community – for example, excessive drinking among teenage girls.

The AFGC considers, however, that introducing even more restrictive regulations (i.e. banning advertisements or heavy taxation) is unlikely to be successful in moderating substantially the more damaging and ingrained patterns of alcohol consumption, or reduce greatly the incidence of alcohol-related adverse health outcomes, unless the measures are extreme. Extreme measures are unlikely to gain widespread community support given the roles alcoholic beverages have in the everyday lives of multi-cultural Australians.

Certainly the Discussion paper and supporting technical paper do not present evidence or strong argument that this would be the case. Interestingly per capita consumption of alcohol in Australia has remained almost constant in recent years despite it becoming relatively cheaper (23% decrease in household relative expenditure on alcohol over the last 24 years), and despite the manner of its advertising and promotion being substantially restricted.

The challenge, therefore, is not how to get all Australians to drink a little less, but rather how to reduce substantially excessive consumption of alcohol and the anti-social behaviour which often accompanies it.

The great success in Australia of the anti-drink drive campaign demonstrates that it is possible to modify the behaviour of large portions of the population, but the success was due to a combination of effective messaging and the threat of severe penalties.

Notwithstanding this, the AFGC considers the lesson from the drink/drive success is that community values can be changed – it is now generally unacceptable to drink and drive whilst 25 years ago it was almost the norm.

¹ www.foodstandards.gov.au

The AFGC considers there is opportunity for the alcoholic beverages industry to collectively take further action in the areas of advertising, packaging and product format to ensure industry practices are in line with modern community values – the key message being not to stop drinking alcohol, but to consume it within safe limits. Working with Government and the public health sector, industry can contribute to specific approaches which might include:

- continuing support for random breath testing;
- responsible education on what constitutes safe drinking;
- ensuring low alcohol beverages are cheaper;
- limiting price promotions on mass media; and
- assisting consumers to better gauge the alcohol content of beverages and their consumption.

The AFGC recommends the Taskforce engage with the industry to explore what the industry might contribute collectively to a National Preventative Health Strategy addressing alcohol.

AFGC MEMBERS LIST AS AT 18 DECEMBER 2008

Arnott's Biscuits Limited	Johnson & Johnson Pacific Pty Ltd	Swift Australia Pty Ltd
Snack Foods Limited	Pfizer Consumer Health	Symrise Pty Ltd
The Kettle Chip Company Pty Ltd	Kellogg (Australia) Pty Ltd	Tate & Lyle ANZ
Asia-Pacific Blending Corporation Pty Ltd	Day Dawn Pty Ltd	The Smith's Snackfood Co.
Barilla Australia Pty Ltd	Specialty Cereals Pty Ltd	The Wrigley Company
Beak & Johnston Pty Ltd	Kikkoman	Unilever Australasia
BOC Gases Australia Limited	Kimberly-Clark Australia Pty Ltd	Wyeth Australia Pty Ltd
Bronte Industries Pty Ltd	Kerry Ingredients Australia Pty Ltd	Yakult Australia Pty Ltd
Bulla Dairy Foods	Kraft Foods Asia Pacific	
Bundaberg Brewed Drinks Pty Ltd	Lion Nathan Limited	
Bundaberg Sugar Limited	Madura Tea Estates	Associate members
Cadbury Schweppes Asia Pacific	Manildra Harwood Sugars	Accenture
Campbell's Soup Australia	Mars Australia	Australia Pork Limited
Cantarella Bros Pty Ltd	Mars Food	ACI Operations Pty Ltd
Cerebos (Australia) Limited	Mars Petcare	Amcor Fibre Packaging
Christie Tea Pty Ltd	Mars Snackfood	CHEP Asia-Pacific
Clorox Australia Pty Ltd	McCain Foods (Aust) Pty Ltd	Concurrent Activities
Coca-Cola Amatil (Aust) Limited	McCormick Foods Aust. Pty Ltd	Dairy Australia
SP C Ardrmona Operations Limited	Merino Pty Ltd	Exel (Aust) Logistics Pty Ltd
Coca-Cola South Pacific Pty Ltd	Merisant Manufacturing Aust. Pty Ltd	Focus Information Logistics Pty Ltd
Colgate-Palmolive Pty Ltd	National Foods Limited	Food Liaison Pty Ltd
Coopers Brewery Limited	Nerada Tea Pty Ltd	FoodLegal
Dairy Farmers Group	Nestlé Australia Limited	Food Science Australia
Danisco Australia Pty Ltd	Nestlé Foods & Beverages	Foodbank Australia Limited
Devro Pty Ltd	Nestlé Confectionery	IBM Business Cons Svcs
DSM Food Specialties Australia Pty Ltd	Nestlé Ice Cream	innovations & solutions
DSM Nutritional Products	Nestlé Nutrition	KPMG
Earlee Products	Foodservice & Industrial Division	Legal Finesse
Ferrero Australia	Novartis Consumer Health Australasia	Linfox Australia Pty Ltd
Fibrisol Services Australia Pty Ltd	Nutricia Australia Pty Ltd	Meat and Livestock Australia Limited
Fonterra Brands (Australia) Pty Ltd	Ocean Spray International Inc	Monsanto Australia Limited
Foster's Group Limited	Parmalat Australia Limited	Promax Applications Group Pty Ltd
Frucor Beverages (Australia)	Patties Foods Pty Ltd	Sue Akeroyd & Associates
General Mills Australia Pty Ltd	Peanut Company of Aust. Limited	Swisslog Australia Pty Ltd
George Weston Foods Limited	Procter & Gamble Australia Pty Ltd	The Nielsen Company
AB Food and Beverages Australia	Gillette Australia	Touchstone Cons. Australia Pty Ltd
AB Mauri	PZ Cussons Australia Pty Ltd	Visy Pak
Cereform/Serrol	Queen Fine Foods Pty Ltd	Wiley & Co Pty Ltd
Don	Reckitt Benckiser (Aust) Pty Ltd	
GWFBaking Division	Ridley Corporation Limited	PSF members
George Weston Technologies	Cheetham Salt Limited	Amcor Fibre Packaging
Jason	Sanitarium Health Food Company	Bundaberg Brewed Drinks Pty Ltd
Weston Cereal Industries	Sara Lee Australia	Cadbury Schweppes Asia Pacific
GlaxoSmithKline Consumer Healthcare	Sara Lee Foodservice	Coca-Cola Amatil (Aust) Limited
Golden Circle Limited	Sara Lee Food and Beverage	Foster's Group Limited
Goodman Fielder Limited	SCA Hygiene Australasia	Golden Circle Limited
Meadow Lea Australia	Sensient Technologies	Lion Nathan Limited
Quality Bakers Aust Pty Ltd	Simplot Australia Pty Ltd	Owens Illinois
H J Heinz Company Australia Limited	Spicemasters of Australia Pty Ltd	Visy Pak
Hans Continental Smallgoods Pty Ltd	Stuart Alexander & Co Pty Ltd	
Harvest FreshCuts Pty Ltd	Sugar Australia Pty Ltd	
Hoyt Food Manufacturing Industries Pty Ltd	SunRice	

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