

20th March 2023

Energy Labelling on Alcoholic Beverages Proposal
Food Standards Australia & New Zealand
PO Box 5423
KINGSTON ACT 2604

Via email to submissions@foodstandards.gov.au

Response to the call for submissions– Proposal P1059 Energy labelling on alcoholic beverages

I write to you today, to respectfully ask that you reconsider the proposal to introduce energy labelling on alcoholic beverages. My name is Roxanne Phasey and I am an owner & the Operations Manager at Watsacowie Brewing Company.

Small craft breweries are a vibrant, entrepreneurial industry that has grown significantly in Australia - 650+ breweries have an economic output of \$1.93 Billion, employing 6,891 people. For every direct job within the industry, 3.8 jobs are created in agriculture, manufacturing, supply and hospitality - meaning the industry supports over 33,000 jobs. Within South Australia, 72 breweries operate; providing just over 2,000 jobs, boosting tourism and supporting local communities.

I would like to echo submissions made by both the national Independent Brewers Association and also the South Australian arm of the IBA, and make the following points.

- The economic climate currently for small breweries is very uncertain. We have only just began to feel like we can re-commence investing in our business operations and our people after the last 2 years of covid restrictions stripped us from our ability to feel comfort in making significant changes. Any unforeseen costs, like a packaging change will be detrimental to our industry
- Any labelling change unproportionally affects smaller brewers. With smaller volumes runs, any changes to packaging take a long time to recoup. With the recent Mandatory Pregnancy Labelling, we have had to engage our graphic designer and printing house to make the changes to our templates costing us \$185 per label across our 12 labels impacted. If this change was to come in, along with other proposed changes it would mean having to not only change the template but due to space and design of the labels it would require more effort and money to completely reformat each of our current labels.
- Reading Section 5 of the proposal, I would submit the economic impact on my business would be detrimental. I currently have 29 SKUs. If each SKU has to be relabelled that would mean a cost of \$720 per SKU in can, therefore single change across our business would be ~\$20,880. These costs would mean our business is unable to invest in the additional 3 tanks we are looking at replacing.
- Within the FSANZ submission there are references to an education campaign needed to help consumers understand the energy within alcoholic beverages. We would ask that this campaign is started in earnest before a labelling change is proposed.

- We also call for more in depth studies to ascertain the effectiveness of energy labelling, when all studies presented have concluded that there is no significant effect on consumer buying or consuming behaviour. This is a big change for our industry, and we would like to be a part of the consultation process.
- We propose that FSANZ abandon any plans of a full Nutritional Information Panel on labels for craft breweries in order to avoid consumer confusion and reduce consumers' intentions to buy.

If you would like to speak to me in regards to this submission, please find my contact details below.

Kind Regards.

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