



October 29, 2025

Subject: Opposition to Bill S-202 – an Act to Amend the Food and Drugs Act (Warning Labels on Alcoholic Beverages)

On behalf of Spirits Canada, the national trade association representing Canada's distilled spirits sector, we are writing to express our strong concern and opposition to Bill S-202, An Act to Amend the Food and Drugs Act (Warning Labels on Alcoholic Beverages).

While we share the objective of promoting the availability of information about the relationship between alcohol and health and reducing alcohol-related harm, we believe this Bill proposes measures that are disproportionate, not grounded in scientific consensus, risk creating unnecessary trade barriers, and overlook more effective and collaborative approaches already in place to address alcohol misuse.

The Spirits Industry: Economic Impact at a Glance

Canada's distilled spirits and spirit-based ready-to-drink (SBRTD) industry represents a vital and high-performing component of the national economy. In 2024, the sector generated approximately **\$5.8 billion in value-added GDP**, supported nearly **48,800 full-time equivalent (FTE) jobs**, and contributed over **\$2.66 billion in government tax revenues**, including **\$913 million provincially**. These impacts are driven by an interconnected manufacturing, supply, distribution, and retail ecosystem that extends across the country.

Independent benchmarking confirms that the **industry's total economic footprint is comparable to that of major Canadian manufacturing sectors such as cement, iron and steel, and aluminum**, underscoring its scale and strategic importance.

The industry's contributions are **truly national in scope**, reaching every province and territory, including northern and rural regions. **Ontario** leads the sector's economic footprint—accounting for roughly **45% of total GDP impact and 42% of employment**—while **Alberta's** liberalized marketplace demonstrates the strongest employment multiplier (≈ 1.65), reflecting the efficiency of its private-sector supply and distribution model.

Canada's whisky producers play a particularly important role in international trade. With over **76% of Ontario's whisky production exported**, the category stands as a globally recognized symbol of Canadian craftsmanship and a key contributor to national export performance.

Distinct from many manufacturing sectors, the spirits industry generates **substantial employment and investment within rural and agricultural communities** through an integrated grain-to-glass model. Many producers manage the entire process—from sourcing local grains to bottling finished products—creating high value-added goods that anchor regional economies.

In total, more than **\$4.6 billion** in annual operating and capital expenditures power the sector. For every **\$1 spent**, approximately **\$1.24 in total economic output** is generated, reflecting the industry's strong multiplier effects and broad-based benefits across Canada's economy.

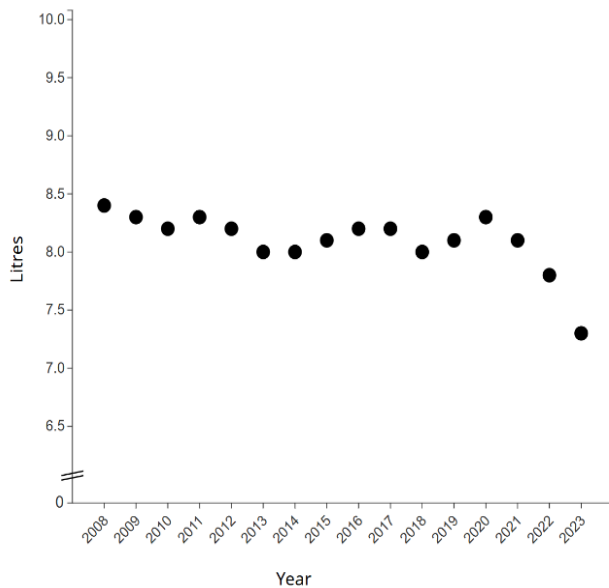
Canadian Drinking Patterns

Government and OECD data show that Canadians are responsible drinkers:

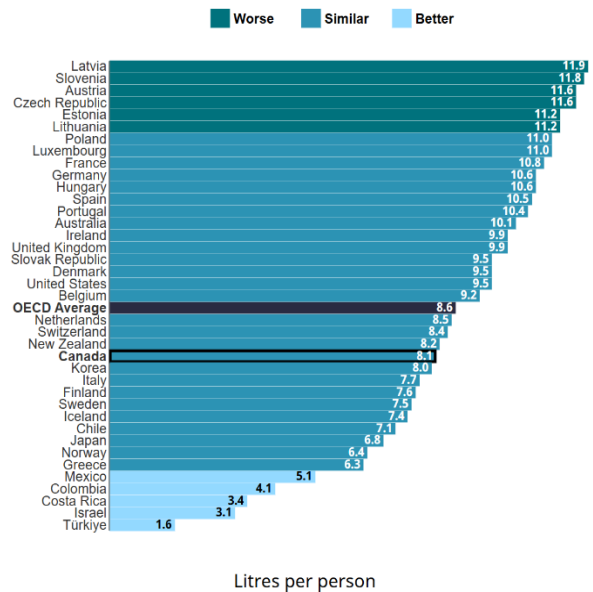
- Per capita alcohol consumption has decreased steadily since 2008, including a marked decline from 2020–2023.
- In 2022, Canadian consumption remained below the OECD average. Source: <https://data-explorer.oecd.org>

Policies should be informed by these trends, reflecting responsible consumption patterns rather than assuming widespread harmful use.

Per capita consumption in Canada fluctuated from 2008 to 2020. It has decreased from 2020 to 2023.



In 2022, alcohol consumption in Canada was similar to the OECD average.



Substantive Concerns with Bill S-202

1. Lack of Scientific Basis and Risk of Misleading Consumers

Cancer is a complex disease with multiple contributing factors that cannot be effectively communicated through a brief warning label. The proposed labels **risk oversimplifying this complexity and may inadvertently misinform consumers** by implying a direct and universal link between alcohol and cancer—without reference to consumption levels, frequency, or individual risk factors.

Spirits Canada and its members believe that consumers should have access to evidence-based information grounded in scientific consensus about the risks of potential negative effects associated with consuming alcohol beverages. We also consistently advocate against drinking in situations where alcohol should not be consumed—and for some individuals, the right choice may indeed be not to drink at all.

The current Low Risk Alcohol Drinking Guidelines (LRDGs) as referenced on the Government of Canada’s website emphasize that risk is linked to quantity and frequency of consumption, not moderate or occasional use. Bill S-202 fails to reflect this evidence-based understanding.

Canada already maintains an integrated framework of regulations and policies and measures, which individually and collectively inform consumers of the risks associated with alcohol, ensuring it is treated as a unique and carefully controlled product. This includes its controlled retail systems, robust taxation frameworks, and strict advertising restrictions. Meanwhile, there is no international consensus that mandatory cancer warning labels are an effective public health measure. Leading jurisdictions with robust alcohol regulations—such as the United Kingdom, France, and Australia—do not require such labels.

Flawed Evidence Cited in Committee hearings

a. The 2017 “Yukon Study”

This study has often been cited as evidence that warning labels reduce harmful alcohol consumption; however, a closer examination reveals that the study does not support this claim. It relied on a limited quasi-experimental design with one intervention site (Whitehorse) and one comparison site, applying three labels over a short period to select products. The sample was small, non-representative, and surveyed during the holiday season, with low response rates and baseline demographic differences between sites.

Critically, the study measured self-reported recall and perceptions, not actual drinking behavior. Despite this, multiple near-identical papers were published from the same dataset, overstating the evidence base. Sales and purchase data used as proxies for consumption are unreliable and may have been affected by external factors such as seasonal trends, product switching, or media coverage. Even the researchers acknowledged these limitations, noting that media attention and word-of-mouth likely influenced results.

A 2024 systematic review confirmed that the Yukon study’s findings were not replicated in broader research on health warning labels, emphasizing the need for more robust, real-world evidence. Taken together, methodological weaknesses, external influences, and overstated conclusions mean the Yukon study cannot be considered reliable evidence for the effectiveness of alcohol warning labels in reducing harmful consumption. Its findings should be interpreted with caution and not form the basis of policy decisions.

b. 2023 CCSA Low-Risk Drinking Guideline Recommendations

Unlike the balanced, collaborative and evidence-based process that produced the 2011 LRDGs—still referenced globally by countries like the US, UK, and Australia—the CCSA’s 2023 report lacks methodological rigor, transparency, and stakeholder engagement. It proposes a drastically lower recommended limit of just two drinks per week, based on selective, outdated studies and a risk model that fails to reflect the realities of modern Canadian demographics and drinking behaviours.

The CCSA report contains significant scientific and methodological shortcomings. Notably, three of its core authors have been strongly linked to Movendi International (formally named the “International Organization of Good Templars”), a global temperance movement advocating total abstinence from alcohol and drugs—raising concerns about bias and objectivity.

The report is based entirely on meta-analysis (reviews of selected reviews) with no primary research, drawing on global data often irrelevant to Canada, such as tuberculosis risk, which is largely absent in the Canadian context. Its mathematical modeling relies on a small number of observational studies that cannot establish causation and does not reflect the full body of scientific evidence. The resulting recommendations **represent an extreme departure from Canada’s longstanding evidence-based guidelines and from policies in peer nations.**

Additionally, the LRDG committee’s model incorporated older, lower-quality studies, some dating back to the 1950s–1990s, while overlooking more recent, higher-quality research. Many of the so-called “latest” studies used baseline data over 60 years old—raising serious doubts about their relevance to modern Canadian health realities.

Finally, the report's development process excluded key stakeholders, particularly experts and organizations whose research or perspectives did not align with an abstinence-first ideology. This exclusion undermines both the scientific balance and credibility of the report's conclusions.

c. At-a-glance – The alcohol deficit: Canadian government revenue and societal costs from alcohol

The reference to a report on the Government of Canada's website claims that Canada faces an annual alcohol deficit of approximately \$3.7 billion, considering both government revenues and societal costs. However, the report demonstrates clear bias and serious methodological shortcomings:

One-Sided Accounting: The deficit calculation is deliberately selective. While the report meticulously sums speculative costs, it ignores the substantial economic contributions of the beverage alcohol industry, including billions in activity across agriculture, manufacturing, logistics, marketing, hospitality, and retail. It also omits significant tax revenues beyond sales tax, such as corporate, payroll, and property taxes. Furthermore, the model neglects the broader economic support the industry provides to tourism, restaurants, bars, cultural events, and regional economies, creating a distorted picture that ignores these interconnected elements.

Flawed Methodology – Confusing Correlation with Causation: The analysis relies heavily on “alcohol-attributable fractions,” a statistical method prone to error and misinterpretation. It attributes costs for over 200 diseases and injuries to alcohol without adequately controlling for other unique individual factors. The model aggregates all alcohol-related costs without distinguishing between moderate, responsible consumers and the minority engaging in harmful consumption, creating the false impression that all drinking is a net societal burden.

Sources Lack Neutrality: Much of the research and its promotion comes from a small network of anti-alcohol activists masquerading as public health bodies. Organizations such as the Canadian Centre on Substance Use and Addiction (CCSA) and the Canadian Institute for Substance Use Research (CISUR) have clear temperance agendas, producing data designed to support pre-determined policy goals like higher taxes, stricter regulation, and reduced consumption. Frequent cross-citation among these organizations creates an echo chamber, giving the misleading appearance of broad scientific consensus when in reality, the evidence base is narrow and agenda-driven.

Taken together, the “alcohol deficit” model significantly overstates the societal costs of alcohol while neglecting other important data points, producing a biased and incomplete assessment that should not form the basis of policy decisions.

2. Risk of Trade Barriers in an Already Challenging Global Environment

International trade disruption: By imposing mandatory health warnings that exceed established global standards, Bill S-202 risks creating new barriers for imported products, including those from Canada's WTO partners. Products without Canada-specific labels could face restricted access, potentially contravening Canada's obligations under the WTO Technical Barriers to Trade (TBT) Agreement.

Unnecessary obstacles to trade: Article 2.2 of the TBT Agreement requires that technical regulations not be more trade-restrictive than necessary to achieve a legitimate public objective. The proposed labeling requirements appear disproportionate to their stated purpose, exceeding what is necessary to promote public health and potentially undermining Canada's reputation as a fair and open trading nation.

Economic consequences: These new requirements would impose significant compliance costs on domestic producers and businesses and disrupt established supply chains—at a time when businesses are already navigating inflationary pressures, supply chain disruptions, and evolving international regulatory regimes.

The Need for a Whole-of-Society Approach

The proposed warning label legislation does not align with Canada’s commitment to partnership and collaboration in advancing the Sustainable Development Goals (SDGs) or the WHO Global Action Plan for the Prevention and Control of Noncommunicable Diseases (NCDs). Effective public health progress requires inclusive, multi-sectoral engagement, including collaboration with industry. The 2011 UN Political Declaration on NCDs called for private sector engagement, and the 2018 Declaration reaffirmed the need to “bring together civil society and the private sector to mobilize all their available resources...for the implementation of national responses” to NCDs. Similarly, the WHO Independent High-Level Commission emphasizes that transparent, accountable public-private partnerships are effective tools for improving population health while safeguarding the public interest.

Ongoing collaboration and industry led efforts towards

The distilled spirits industry has long demonstrated leadership and welcome private-public collaboration in responsible drinking initiatives, including:

- Contributions to the National Alcohol Strategy Advisory Committee (prior to 2018 removal), including the development of Screening, Brief Intervention & Referral Tools;
- Implementation of the 2011 Low Risk Drinking Guidelines;
- Spirits Canada Code for Responsible Marketing and Advertising in partnership with Ad Standards Canada;
- Global commitments through the International Alliance for Responsible Drinking (IARD), including clear labeling against underage and prenatal drinking, age-assurance in online marketing, responsible e-commerce standards, and law enforcement support to prevent harmful drinking.

These ongoing efforts reflect the whole-of-society approach endorsed by the UN, demonstrating that collaboration between government, civil society, and responsible industry actors drives meaningful, evidence-based change. Canada should build on this model, rather than adopting unilateral measures that risk misleading consumers and undermining trust.

The exclusion of the sector, when it has been historically proven that private-public partnership drives real change, represents a missed opportunity to adopt a collaborative, evidence-based approach that could better achieve public health objectives and maintain public trust. It also diverges from Canada’s stated commitment to inclusive partnerships, which are critical to creating sustainable and impactful solutions for reducing harmful alcohol use, in line with SDG target 3.4.

A Responsible Path Forward

Canada has long demonstrated leadership in promoting responsible alcohol consumption through evidence-based policies, public education, and collaboration with health organizations. This balanced, science-driven approach should continue to guide future action.

We therefore respectfully urge the Senate of Canada not to proceed with Bill S-202. Instead, we encourage continued dialogue among health experts, consumer organizations, provincial governments, and industry stakeholders to ensure that alcohol policy remains science-based and effective.

Spirits Canada and its members remain firmly committed to supporting shared public health goals. We would welcome the opportunity to meet with you to discuss constructive, evidence-based alternatives that promote aligned health outcomes while maintaining Canada’s economic resilience and international trade commitments.