

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY  
USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT  
POLICY

Voluntary  Public

**Date:** 2/24/2011

**GAIN Report Number:** AS1102

## Australia

**Post:** Canberra

### Review of Food Labeling Law and Policy

**Report Categories:**

FAIRS Subject Report

**Approved By:**

Grant Pettrie, Agricultural Counselor

**Prepared By:**

Lindy Crothers, Agricultural Marketing Specialist

**Report Highlights:**

In 2009, the Council of Australian Governments (COAG) and the Australia and New Zealand Food Regulation Ministerial Council (Ministerial Council) agreed to undertake a comprehensive review of food labeling law and policy. The final report of the Review Panel of Food Labeling Law and Policy was released by the Government on January 28, 2011.

## Background

In 2009, the Council of Australian Governments (COAG) and the Australia and New Zealand Food Regulation Ministerial Council (Ministerial Council) agreed to undertake a comprehensive review of food labeling law and policy. The final report of the Review Panel of Food Labeling Law and Policy - [Labeling Logic](#) – was released by the Government on January 28, 2011. The Report provides a detailed analysis of the issues associated with food labeling and contains 61 recommendations.

The cornerstone of the Review's approach is an Issues Hierarchy in descending order of food safety, preventative health, new technologies and consumer values issues. This classification, which is essentially a risk hierarchy, governs the initiation of regulatory action, the modes of intervention and where rules and oversight should lie.

The Review recognized that government intervention was necessary for matters of food safety and preventative health and new technology, but also saw the benefits from a self-regulatory approach in relation to “consumer values”. The Review also recommended that labeling standards and laws be enforced with priority equal in ranking to enforcement of other aspects for food law. As well, it is recommended that a Food Labeling Bureau be established to provide an advisory service, consumer research and compliance monitoring.

A whole of governments' response to the Review is to be prepared for Council of Australian Governments (COAG) meeting in 2011. A preliminary assessment of the work involved in implementing the recommendations will be considered by the Health Ministers at their May 2011 meeting. There will then be formal consultation on the Review and its recommendations, including, we believe, the opportunity for stakeholders to submit comments (likely to be around May/June 2011). The Health Ministers will formally respond to the report in November 2011.

More information, including the final report, the review's [Terms of Reference](#), the [Issues Consultation Paper](#) and copies of public submissions and public consultation meeting records are available at [www.foodlabelingreview.gov.au](http://www.foodlabelingreview.gov.au).

Below are the full Executive Summary and Recommendations, including the Issues Hierarchy diagram.

## **Executive Summary**

The executive summary is structured in terms of the Matters for Review outlined in the terms of reference. Numbers in brackets refer to the recommendations in the Report, a full list of which is provided at the end of this summary and in context, within the body of the Report.

The food label is the arena in which many of the most intense disputes over food take place, for the label provides the most public face for controversies over food. It is also one of the most highly valued and competitively sought after communication channels in the market place. As the battle for space on the label has intensified, and the often competing interests of consumers, industry and government come to the fore, food labeling policy has evolved in a sporadic fashion to satisfy a range of interests, including protecting consumers. The crux of the Review was therefore to address the tensions between these interests that drive policy and to seek to resolve them. The 61 recommendations contained in this Report are designed to address this ad hoc approach to food labeling and provide a clear path forward.

### **Examine the policy drivers impacting on demands for food labeling**

The Panel suggests that a consideration of the policy drivers — consumers' needs for information; industry's need for marketing flexibility and minimal regulatory burdens; and government's objectives in the area of individual and population health — provides a framework for deriving principles for regulatory intervention in order to steer the flow of labeling events. Exploration of these demands revealed the ubiquity and breadth of health concerns, particularly the growing acceptance of government's preventative health role in reducing the risk of chronic diet-related disease. A definition of public health in the Food Standards Australia New Zealand Act 1991 would decrease ambiguity regarding the role of the food regulator and would place appropriate focus on broader public health issues [Recommendation 1].

As a consequence of this recognition, the Panel recommends that a comprehensive Nutrition Policy be developed that includes a framework for the roles of the food label [Recommendations 9, 10]. Once established, the comprehensive Nutrition Policy should inform the development or variation of labeling standards. Such an operational base will in part address the requirement for evidence of significant health or behavioral impact and economic assessments for individual food standards, a requirement which at present can act as a barrier to utilizing the food label more effectively.

### **What principles should guide decisions about government regulatory interventions in food labeling?**

The cornerstone of the Panel's approach is an Issues Hierarchy in descending order of food safety, preventative health, new technologies and consumer values issues. This classification, which is essentially a risk hierarchy, governs the initiation of regulatory action, the modes of intervention and where rules and oversight should lie [Recommendation 2]. Regulatory actions in relation to food safety, preventative health and new technologies should be initiated primarily by government and referenced in the Code. Regulatory actions in relation to consumer values issues should be initiated generally by industry [Recommendations 37, 38]. These would rely on the 'misleading or deceptive' provisions in consumer protection legislation, with the possibility of some specific methods or processes of production being referenced in the Code [Recommendation 36]. The most significant consequence of this referencing is that country-of-origin labeling — a consumer values issue — be provided for in a specific consumer information standard for food within consumer protection legislation rather than in the Code [Recommendation 41].

The modes of intervention should be mandatory for food safety, on which point there is little disagreement. For preventative health there would be a mixture of mandatory and co-regulation requirements, the choice dependent on government health priorities and the effectiveness or otherwise of co-regulatory measures. For new technologies there should be, as a general principle, mandated identification on the label of foods or ingredients treated or produced by such technologies for a period of 30 years after their introduction into the human food supply chain, at the end of which time the need for such identification should be reviewed [Recommendation 28]. The modes of intervention for consumer values issues should be self-regulatory but subject to more prescriptive forms of intervention in cases of market failure, as the Panel argues in the case of country-of-origin issues [Recommendations 40, 41] or the ineffectiveness of self-regulatory schemes [Recommendation 39].

### **Consider what policies and mechanisms are needed to ensure that government plays its optimum role**

In the light of the above principles, government would play its optimum role in food labeling by ensuring labeling to guarantee food safety; by working with industry to use labeling to encourage healthy eating and population health; by taking a prudent approach to the labeling of foods and ingredients produced or processed by new technologies; and by acting to ensure that industry self-regulation in the field of consumer values provides consistent and accurate labeling to enable consumers to make informed choices.

The whole system is envisaged as one of responsive intervention that requires coordination across portfolios [Recommendations 4, 21, 23, 41, 59] and jurisdictions [Recommendations 3, 57, 58]. If softer measures fail there would be opportunity for escalation to more prescriptive modes of regulation. Moreover, where label changes are recommended, the Panel advocates a generous time period to encompass the change, as well as grandfathering for labels on products that have a long shelf life.

There is also a need to broaden the coverage of food labeling laws to reflect the range of environments within which people now purchase their foods. The significant extent to which Australians and New Zealanders now consume food outside the home has led the Panel to recommend the provision of nutrition information on menus/menu boards in chain food service outlets that have standardized menu items, and on vending machines [Recommendation 18].

### **Consider principles and approaches to achieve compliance with labeling requirements, and appropriate and consistent enforcement**

As a general principle of good governance, it is necessary that the members of the community feel confident that the food regulatory system, which is designed to protect its health and safety, operates effectively. As such, once the case for a labeling standard has been established and becomes part of the Code, it must be monitored and enforced by the jurisdictions with as high a priority as any other food standard [Recommendations 3, 6, 7, 57]. A similar high priority should be given by the consumer protection agencies to consumer values issues [Recommendations 4, 59]. Labeling standards should also be written in such a way that they both clearly convey what is required of industry and are capable of being enforced should a prosecution occur [Recommendation 60]. In addition, a more versatile range of enforcement provisions should be introduced [Recommendation 58].

The Panel accepts that for a range of reasons it is desirable to leave responsibilities for the statutory requirements for compliance and prosecution as they are currently. However, if food labeling is to be taken seriously, a Food Labeling Bureau (the Bureau) should be established to advise Australian and New Zealand ministers on all aspects of labeling policy [Recommendation 61]. Resources for this Bureau must reflect the high

profile that food labeling has as the most public face of food policies, standards and laws. The Bureau's role would be administrative, advisory and a monitor of compliance and enforcement. It would be user-friendly for consumers and industry and would marshal and support the resources already on the ground.

### **Evaluate existing work on health claims**

The Panel proposes a responsive regime of nutrition, health and related claims covering the use of simple words that may infer health implications [Recommendation 19] and a hierarchy of substantiation of claims and validation through an agreed nutrient profiling system, plus further conditional requirements [Recommendation 20]. In addition, the Panel recognizes the need to prevent the subversion of the proposed system by unscrupulous use of trade names and trademarks that could imply claims prohibited in the Code [Recommendation 21]. Governments may also wish to make health claims through mandatory health messages supporting preventative health strategies. These would have to meet the same substantiation requirements as industry health claims. In addition, as they involve taxpayer funds, intervention would have to be justified by reference to both the extent of the health problem and the strength of the causal links between the health problem and the messages, and only be embarked upon as part of a multifaceted social campaign [Recommendations 22, 24]. The introduction of health claims in the food regulatory regime will make urgent the development of a seamless regulatory approach for food, complementary medicines and dietary supplements [Recommendation 23].

### **Evaluate existing work on front-of-pack labeling**

The use of interpretative symbols or endorsements on labels has the potential to convey essential nutrition information when included as one of multiple strategies to facilitate healthy eating choices [Recommendation 50]. As there is now a growing consensus between industry, consumers, health advocacy groups and governments in favor of front-of-pack labeling, the issue before the Panel was what form it should take. The Panel recommends that a multiple traffic lights (MTL) front-of-pack labeling system be introduced. Such a system is to be voluntary in the first instance, except where general or high level health claims are made or equivalent endorsements/trade names/marks appear on the label, in which case it should be mandatory [Recommendations 51, 52, 53]. The Panel also recommends that chain food service outlets across Australia and New Zealand be encouraged to display the MTL system on menus/menu boards [Recommendation 54], but that beverages containing alcohol be exempt from any MTL requirements [Recommendation 55].

### **Evaluate current policies, standards and laws relevant to food labeling**

Using this overall framework, the Panel addressed a number of detailed issues raised in the submissions and consultations which are not dealt with elsewhere in this summary.

Public Health and Food Safety: In relation to the ingredients list, the Panel recommends work on a number of codes of practice to enable consumers to readily identify additives, colorings and flavorings of agreed medical priority [Recommendations 8, 11], and changes to the declaration of added sugars, added fats and added vegetable oils [Recommendation 12]. The Panel recommends several changes to the Nutrition Information Panel (NIP), including the possible explicit inclusion of trans fatty acids [Recommendation 13]; the inclusion of fiber content [Recommendation 14]; clarification of salt content [Recommendations 15, 16]; and some simplification of presentation [Recommendation 17].

Alcohol: While recognizing the unique features of alcohol as a food, the Panel sees no prima facie reason for excluding alcohol from the scope of the Review, given alcohol's inclusion in the Code. The Panel is of the view that the requirement for alcohol to display additional labeling information does not automatically exempt it from adhering to other existing requirements. The Panel further believes that there are compelling reasons for applying labeling changes to alcohol in the light of the growing evidence relating to the short- and long-term adverse health effects of alcohol consumption. The Panel therefore recommends that a suitably worded warning message about the risks of consuming alcohol while pregnant be mandated on individual containers of alcoholic beverages and at the point of sale for unpackaged alcoholic beverages [Recommendation 25]; that the energy content be displayed on the labels of all alcoholic beverages, consistent with the requirements for other food products [Recommendation 26]; and that drinks that are mixtures of alcohol and other beverages comply with all general nutrition food labeling requirements [Recommendation 27].

New Technologies: Given the general principle enunciated in this Review that there should be mandatory labeling of new technologies for 30 years after their introduction into the food supply chain and recognizing that irradiated foods have been in the food supply for a generation, the Panel recommends that the necessity for mandatory labeling of irradiated foods be reviewed [Recommendation 34]. While recognizing the difficulties, the Panel nevertheless believes it is urgent for the credibility of the regulator that a standard be established for regulating the presence of nanotechnology in the food production chain [Recommendation 35]. On the vexed question of genetically modified foods, the Panel assessed the various exemptions from genetic modification labeling in line with its principles and the relevant scientific evidence. The Panel endorses the exemption of foods or ingredients that have no altered characteristics or no detectable novel deoxyribonucleic acid (DNA) or protein [Recommendation 29]; endorses the present exemption for adventitious presence but recommends follow-up and monitoring of any adventitious event [Recommendation 30], and the provision of adequate laboratories, resources and skills for this and other tasks [Recommendation 33]; does not support the present exemption for flavors [Recommendation 31]; and, given the general position the Panel has taken on foods from chain food service outlets and vending machines, does not support their exclusion from the requirement to declare genetically modified foods or ingredients [Recommendation 32].

Consumer Values Issues: The remaining issues in the consumer values field relate to the one presently mandated intervention — country-of-origin labeling (CoOL). While CoOL is comprehensive in Australia, there are a few inexplicable primary product exceptions, and the Panel believes the loophole should be closed and that CoOL should be extended to cover all primary products for retail sale [Recommendation 40]. There is extraordinary public confusion over the 'Made in Australia' claim and the Panel favors the development of an unambiguous and consumer-friendly Australian-origin claim based on the ingoing weight of the various components of the food, excluding water [Recommendation 42].

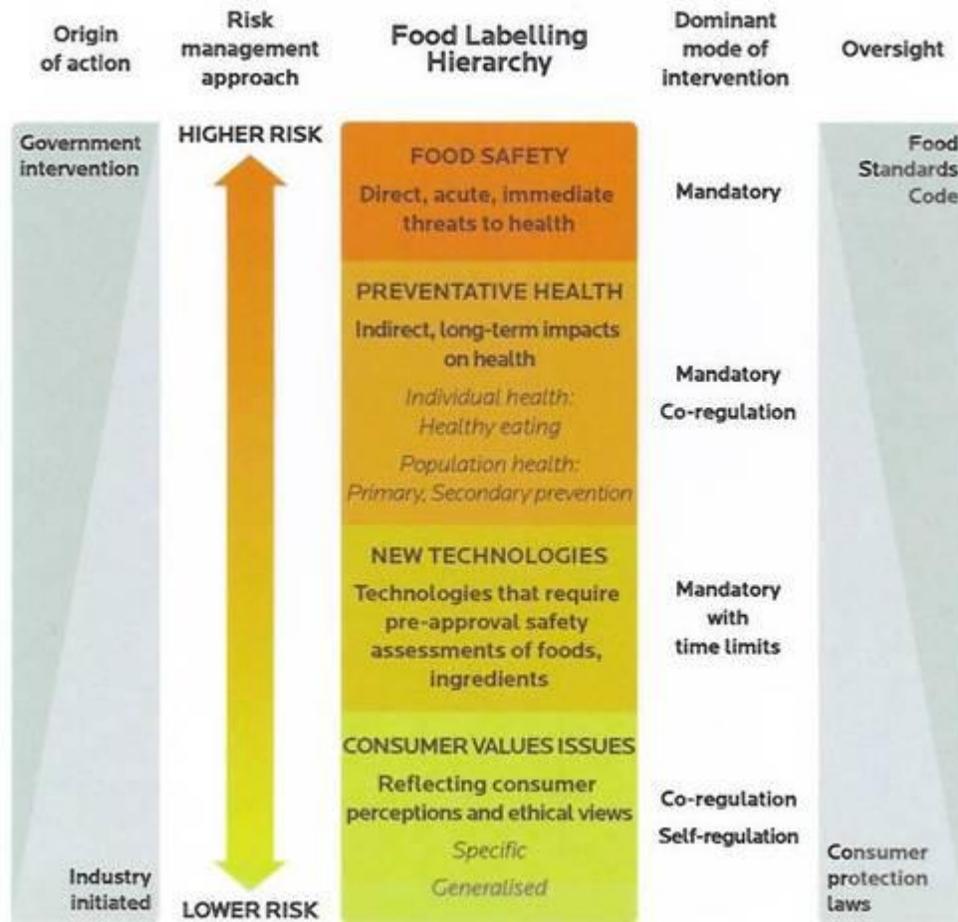
Presentation: The effectiveness of the recommendations in practice will depend on the consumer's ability to notice, read and comprehend the information provided. It is a fundamental principle that food labels be presented in a clear and comprehensible manner to enhance understanding across all levels of the population [Recommendations 5, 43]. The Panel recommends a prescriptive minimum font style [Recommendation 44] and a minimum contrast level [Recommendation 46] for all mandatory information, and the emboldening of warning and advisory statements and of allergens [Recommendation 47]. The Panel would encourage government and industry to work together to establish guidelines for other presentational factors [Recommendation 45] and to work towards a co-location of mandatory health information presented in a standardized fashion [Recommendation 48]. New information technologies should be investigated both for automated label assessments [Recommendation 49] and for forms of extended product labeling [Recommendation 56].

## Conclusion

This Report provides a comprehensive framework within which future food labeling law and policy can be determined. As well, using this framework, the Panel has made a wide range of specific recommendations to improve food labeling law and policy. Consequentially and appropriately, given the wide-ranging scope of the Review and its terms of reference, adoption of these recommendations will lead to:

- a clear path to guide government decisions about regulatory intervention;
- a fundamental shift in thinking about the remit of Food Standards Australia New Zealand (FSANZ) and the broader food regulatory system with regard to public health;
- an impetus for industry collaboration to achieve self- and co-regulatory mechanisms that ensure a level playing field while meeting the demands of consumers and governments;
- a more strategic, transparent and informative food labeling system, which instills confidence in Australian and New Zealand consumers;
- greater resourcing from governments to support food labeling that is meaningful, consistent and that addresses issues identified in a comprehensive nutrition policy; and
- a centralized body for, and source of, food labeling information for consumers, industry and government, with roles in administration, advice and monitoring.

## Issues Hierarchy



### Food Labeling Issues Hierarchy

The recommendations are centered around this risk based Food Labeling Issues Hierarchy, in descending order of priority from food safety, preventative health, new technologies and consumer values issues. This diagram illustrates where rules and oversight should lie and provides the basis for the recommended Principles to guide food labeling decisions. The Report proposes a range of regulatory interventions based on this hierarchy, ranging from mandatory, through co-regulation and self-regulation. The recommendations are framed in such a way that if the designated regulatory intervention is inadequate, there are grounds for escalation.

## Recommendations

### Policy Drivers of Food Labeling

**Recommendation 1:** That the *Food Standards Australia New Zealand Act 1991* be amended to include a definition of public health to the effect that: 'Public Health is the organized response by society to protect and promote health and to prevent illness, injury and disability'.

### Principles and Criteria

**Recommendation 2:** That food labeling policy be guided by an issues hierarchy in descending order of food safety, preventative health, new technologies and consumer values issues. Regulatory action in relation to food safety, preventative health and new technologies should primarily be initiated by government and referenced in the Food Standards Code. Regulatory action in relation to consumer values issues should generally be initiated by industry and referenced to consumer protection legislation, with the possibility of some specific methods or processes of production being referenced in the Food Standards Code.

The modes of intervention should be mandatory for food safety; a mixture of mandatory and co-regulation for preventative health, the choice dependent on government health priorities and the effectiveness or otherwise of co-regulatory measures; and mandatory with time limits for new technologies. The modes of intervention for consumer values issues should be self-regulatory but subject to more prescriptive forms of intervention in cases of market failure or the ineffectiveness of self-regulatory schemes.

**Recommendation 3:** That once the case for a labeling standard has been established and becomes part of the Food Standards Code, sufficient resources be allocated to ensure that it is effectively monitored and enforced.

**Recommendation 4:** That consumer protection concerns be accorded a high priority by the relevant government agencies and complaints be properly processed and resolved.

**Recommendation 5:** That information on food labels be presented in a clear and comprehensible manner to enhance understanding across all levels of the population.

### Public Health and Food Safety

**Recommendation 6:** That the food safety elements on the food label be reviewed with the aim to maximize the effectiveness of food safety communication.

**Recommendation 7:** That there be more effective monitoring and enforcement of the existing requirements in the Food Standards Code to provide mandatory warning and advisory statements and allergen declarations on packages of food not for retail sale, foods for sale at restaurants and other food outlets, foods from mobile food vendors and vending machines, and foods for catering purposes.

**Recommendation 8:** That the Voluntary Incidental Trace Allergen Labeling system be explored as a possible supplementary model to manage food label declarations relating to the adventitious presence of allergens in foods.

**Recommendation 9:** That a comprehensive Nutrition Policy be developed that includes a framework for the roles of the food label. Key aspects of the framework to be:

- a. the provision of food safety and nutrition information and education strategies to protect and promote the health of the population, including articulated roles for food label elements;
- b. the encouragement of the provision of healthy foods within the food supply to facilitate healthy diets;
- c. the setting and application of nutrient criteria and dietary guidance;
- d. the facilitation of social and other research to improve understanding of how label information is used and its impact on food selection, eating behaviors and the food supply;
- e. the establishment of monitoring and surveillance systems for dietary/nutrition practices that include the use and understanding of food labels.

Such a policy should be developed as a priority, within the framework of the governments' preventative health agendas and cognizant of the present Australian initiatives on food security and a national food plan.

**Recommendation 10:** That the *Food Standards Australia New Zealand Act 1991* be amended to require Food Standards Australia New Zealand to 'have regard' to the comprehensive Nutrition Policy when developing or reviewing labeling standards.

**Recommendation 11:** That industry develop in consultation with government, medical authorities and relevant consumer organizations a voluntary code of practice and education initiatives to enable consumers to quickly identify label information relating to additives, colorings and flavorings that are of agreed medical priority for sensitive consumers.

**Recommendation 12:** That where sugars, fats or vegetable oils are added as separate ingredients in a food, the terms 'added sugars' and 'added fats' and/or 'added vegetable oils' be used in the ingredient list as the generic term, followed by a bracketed list (e.g., added sugars (fructose, glucose syrup, honey), added fats (palm oil, milk fat) or added vegetable oils (sunflower oil, palm oil)).

**Recommendation 13:** That mandatory declaration of all trans fatty acids above an agreed threshold be introduced in the Nutrition Information Panel if manufactured trans fatty acids have not been phased out of the food supply by January 2013.

**Recommendation 14:** That declaration of total and naturally occurring fiber content be considered as a mandatory requirement in the Nutrition Information Panel.

**Recommendation 15:** That voluntary declaration of potassium content in the Nutrition Information Panel be actively considered by industry. If nutritional policy guidance recommends the reduction in consumption of potassium for at-risk population groups in the future, disclosure of potassium in the Nutrition Information Panel should become mandatory.

**Recommendation 16:** That social research be undertaken to determine effective mechanisms to present sodium/salt information on food labels to facilitate consumers' understanding and use of this information.

**Recommendation 17:** That the declaration in the Nutrition Information Panel of amount of nutrients per serve be no longer mandatory unless a daily intake claim is made.

**Recommendation 18:** That declaration of energy content of standardized food items on the menu/menu boards or in close proximity to the food display or menu be mandatory in chain food service outlets and on vending machines. Further, information equivalent to that provided by the Nutrition Information Panel should be available in a readily accessible form in chain food service outlets.

**Recommendation 19:** That a responsive regulatory approach to the use of simple words and terms that may infer health implications be commenced, with the food industry working with Food Standards Australia New Zealand to develop a Code of Practice covering consistent use of definitions for such words and terms, with a view to their use being restricted if appropriate constraint is not implemented.

**Recommendation 20:** That the Standard for nutrition, health and related claims on food labels which reflects agreed public health goals be finalized and that it include the following:

- a. a hierarchy of substantiation of claims at the various levels, that would encompass use of defined nutrition words and terms, pre-approved relationships, authoritative sources, systematic review and pre-market assessment and approval;
- b. a requirement that all foods that carry a nutrition, health and related claim comply with an agreed nutrient profiling system;
- c. a requirement that the presence of a nutrition, health and related claim triggers relevant information disclosures in the Nutrition Information Panel or ingredients list; and
- d. a requirement that the presence of a general or high level claim triggers display of standardized front-of-pack label information.

**Recommendation 21:** That applications for trade names and trademarks be scrutinized by the relevant agencies to identify and reject words and devices that have the effect of inferring health implications that are otherwise prohibited under the Food Standards Code.

**Recommendation 22:** That mandatory messages supporting preventative health strategies may be instigated by governments, provided the following conditions are met:

- a. substantiation requirements are fulfilled — the epidemiological evidence is strong;
- b. the message is consistent with the comprehensive Nutrition Policy;
- c. food labeling is an appropriate response to the problem; and
- d. the label is one part of a multifaceted campaign.

**Recommendation 23:** That a consistent, seamless regulatory approach for nutrition, health and related claims be adopted for food, complementary medicines and dietary supplements.

**Recommendation 24:** That generic alcohol warning messages be placed on alcohol labels but only as an element of a comprehensive multifaceted national campaign targeting the public health problems of alcohol in society.

**Recommendation 25:** That a suitably worded warning message about the risks of consuming alcohol while pregnant be mandated on individual containers of alcoholic beverages and at the point of sale for unpackaged alcoholic beverages, as support for ongoing broader community education.

**Recommendation 26:** That energy content be displayed on the labels of all alcoholic beverages, consistent with the requirements for other food products.

**Recommendation 27:** That drinks that are mixtures of alcohol and other beverages comply with all general nutrition labeling requirements, including disclosure of a mandatory Nutrition Information Panel.

### **New Technologies**

**Recommendation 28:** That as a general principle all foods or ingredients that have been processed by new technologies (i.e., all technologies that trigger pre-market food safety assessments) be required to be labeled for 30 years from the time of their introduction into the human food chain; the application of this principle to be based on scientific evidence of direct impact on, or modification of, the food/ingredient to be consumed. At the expiry of that period the mandatory labeling should be reviewed.

**Recommendation 29:** That only foods or ingredients that have altered characteristics or contain detectable novel DNA or protein be required to declare the presence of genetically modified material on the label.

**Recommendation 30:** That any detection of an adventitious genetically modified event be followed by a period of monitoring and testing of that food or ingredient.

**Recommendation 31:** That foods or ingredients with flavors containing detectable novel DNA or protein not be exempt from the requirements to declare the presence of genetically modified material on the label.

**Recommendation 32:** That foods or ingredients that have been genetically modified and would require declaration if labeled be declared on menu/menu boards or in close proximity to the food display or menu in chain food service outlets and on vending machines.

**Recommendation 33:** That governments ensure effective monitoring of labeling requirements in the Food Standards Code relating to genetically modified foods or ingredients through support for sufficient Australian and New Zealand laboratories, observing world best practice protocols, and with the necessary resources and analytical skills.

**Recommendation 34:** That the requirement for mandatory labeling of irradiated food be reviewed.

**Recommendation 35:** That Food Standards Australia New Zealand and other relevant bodies develop as a matter of urgency a standard for regulating the presence of nanotechnology in the food production chain, consistent with the recommendations in this Report relating to new technologies.

### **Consumer Values Issues**

**Recommendation 36:** That Food Standards Australia New Zealand consider adopting, by reference in the Food Standards Code, values-based definitions and/or standards relating to specific food production methods and processes, if requested by industry, to achieve consistency of definitions.

**Recommendation 37:** That the relevant livestock industries consider the benefit of establishing agreed standards under the auspices of Standards Australia or Standards New Zealand for terms related to animal husbandry (e.g., 'free range', 'barn laid' and 'caged' in the case of poultry).

**Recommendation 38:** That the value of industry-initiated self-regulatory intervention be recognized and that industry in collaboration with special interest groups further develop and apply a responsive and more structured self-regulatory approach to consumer values issues that incorporates:

- a. the role that voluntary codes of practice can play in relation to the evolution of standard definitions for values-based claims;
- b. the role that certification schemes can play in effectively communicating values-based messages; and
- c. the development of agreed standards through existing frameworks such as International Organization for Standardization, Standards Australia or Standards New Zealand.

**Recommendation 39:** That a monitoring regime for self-regulatory measures be established and when evidence of systemic failure to provide accurate and consistent values-based information to enable consumers to make informed choices is found, a more prescriptive mode of regulation is triggered.

**Recommendation 40:** That Australia's existing mandatory country-of-origin labeling requirements for food be maintained and be extended to cover all primary food products for retail sale.

**Recommendation 41:** That mandatory requirements for country-of-origin labeling on all food products be provided for in a specific consumer product information standard for food under the *Competition and Consumer Act 2010* rather than in the Food Standards Code.

**Recommendation 42:** That for foods bearing some form of Australian claim, a consumer-friendly, food-specific country-of-origin labeling framework, based primarily on the ingoing weight of the ingredients and components (excluding water), be developed.

### **Presentation**

**Recommendation 43:** That the Perceptible Information Principle be used as a guide for labeling presentation to maximize label comprehension among a wide range of consumers.

**Recommendation 44:** That a minimum font size of 3.5mm in an open font style in mixed case be applied for mandated information, with the exception of small package sizes where the minimum font size should be 1.5mm.

**Recommendation 45:** That a set of guidelines be developed in consultation with industry that includes reference to other presentation factors such as letter and line spacing, text justification and stroke width.

**Recommendation 46:** That a minimum contrast level of 70% for mandated information be stipulated in the Food Standards Code.

**Recommendation 47:** That warning and advisory statements be emboldened and allergens emboldened both in the ingredients list and in a separate list.

**Recommendation 48:** That industry be encouraged to develop a set of guidelines relating to the co-location of mandatory health information presented in a standardized manner on the label. Government should facilitate this process through the provision of appropriate resources and expertise.

**Recommendation 49:** That the development of an automated label assessment tool be investigated that can gauge a label's compliance with mandated legibility requirements and those stipulated in relevant voluntary codes.

**Recommendation 50:** That an interpretative front-of-pack labeling system be developed that is reflective of a comprehensive Nutrition Policy and agreed public health priorities.

**Recommendation 51:** That a multiple traffic lights front-of-pack labeling system be introduced. Such a system to be voluntary in the first instance, except where general or high level health claims are made or equivalent endorsements/trade names/marks appear on the label, in which case it should be mandatory.

**Recommendation 52:** That government advice and support be provided to producers adopting the multiple traffic lights system and that its introduction be accompanied by comprehensive consumer education to explain and support the system.

**Recommendation 53:** That ongoing monitoring and evaluation of the multiple traffic lights system be undertaken to assess industry compliance and the effectiveness of the system in improving the food supply and influencing consumers' food choices.

**Recommendation 54:** That chain food service outlets across Australia and New Zealand be encouraged to display the multiple traffic lights system on menus/menu boards. Such a system be mandatory where general or high level health claims are made or equivalent endorsements/trade names/marks are used.

**Recommendation 55:** That any beverages containing alcohol be exempt from nutrition-related front-of-pack labeling requirements.

**Recommendation 56:** That the potential of new information technologies be considered by consumer organizations, industry and government to provide extended product labeling for non-mandatory information.

### **Compliance and Enforcement**

**Recommendation 57:** That monitoring and enforcement of food labeling requirements of the Food Standards Code (accuracy as well as the presence of labeling information) be considered equally important as other aspects of the Food Standards Code and the responsible agencies be given the appropriate level of resources to meet their obligations.

**Recommendation 58:** That the Model Food Provisions and the food acts of the jurisdictions be amended to allow a more versatile range of enforcement provisions, such as the power to make orders or require user-paid compliance testing consequent on a breach or impose enforceable undertakings in relation to non-compliant labeling.

**Recommendation 59:** That consumer protection concerns related to food labeling be accorded a high priority by the relevant consumer protection agencies (Australian Competition and Consumer Commission, New Zealand Commerce Commission, and State and Territory consumer protection agencies) and complaints be processed and resolved in a timely and transparent manner.

**Recommendation 60:** That food standards always be drafted with the understanding that they are intended to be enforceable legal documents. Where current deficiencies in the labeling requirements have been identified, standards should be re-drafted to make the obligations clear.

**Recommendation 61:** That a new and effectively resourced entity in the form of a trans-Tasman Food Labeling Bureau be established under the *Food Standards Australia New Zealand Act 1991* to undertake the functions as specified in this Report and more generally to:

- a. be the primary contact for, and source of, food labeling information and advice;
- b. undertake research into food labeling issues;
- c. undertake a general educational role in relation to food labeling issues and requirements;
- d. assist industry to comply with labeling requirements;
- e. act as a clearinghouse for complaints and facilitate compliance and the resolution of complaints;
- f. monitor and report on food labeling compliance; and

- g. monitor consumer values issues claims on labels and liaise with consumer protection agencies in relation to confusing, misleading or deceptive food labeling.