



## **Submission**

Of the

**New Zealand Retailers Association**

To the

**New Zealand Food Safety Authority**

In respect of

**Front of Pack Labelling Consultation Paper**

March 2009

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## **Introduction**

These submissions are presented by the New Zealand Retailers Association

## **Background**

The Association is the largest trade association involved in the retail industry in New Zealand.

We represent an industry that has annual sales of \$66b and which employs 325,000 people (approx 20% of the workforce) in more than 49,000 outlets throughout New Zealand.

Our national membership includes the major supermarket and general merchandise chains, specialised chains, traditional department stores and thousands of owner operators spread throughout the country.

The membership also includes a number of specialised trade groups representing manufacturers, distributors and retailers in the plumbing materials, metal fastener, pet, equestrian, jewellery, bicycle and sporting goods sectors.

## **General Submissions**

These submissions have been prepared in association with the major supermarkets – Progressive Enterprises Ltd which is owned by Woolworths Australia and which trades under the brands of Foodtown, Countdown, Woolworths and Super Value and Foodstuffs New Zealand which is the holding company for the three independent regional Foodstuffs companies that trade under the brands of New World, Pack n Save, Write Price and Four Square.

Put simply, we submit that detailed work on a policy guideline for front of pack labelling should not proceed at the present time.

We accept that the development of draft policy guidelines which resulted in the release of this paper has been prepared by Food Regulations Standing Committee (FRSC) in accord with a decision taken at the October 2008 meeting of the Australia New Zealand Food Regulation Ministerial Council and note that four options have been prepared to advance the issue.

However, we consider that it is premature to proceed further with work on this issue in isolation given that the Council of Australian Governments has identified food labelling as one of its key reform agendas and has agreed in principle to an independent review of food labelling law and policy which we understand is due to report in June 2010.

We also note that Food Standards Australia New Zealand (FSANZ) is undertaking a separate review of health and nutrition claims and issues such as how symbols, logos and designs may provide an indication of healthier foods within a certain food category and that a report on this issue is to be presented by March 2010.

### **Specific Submissions**

We note in fact that the decision to initiate work on front of pack labelling was taken in 2006 and that the 2009 FRSC working party has utilised the information gathered during the 2006-2008 period as a basis for the development of the current discussion paper.

We also note the comments in the paper that research indicates that poor nutrition is one factor that contributes to increasing prevalence of chronic diseases and that consumers have difficulty understanding nutrition labels and claims as well as the observation that a well designed front of pack labelling system may have the potential to increase consumer awareness of the nutritional awareness of foods and consequently influencing better informed and healthier choices.

However, as stated, we think it is premature to proceed with any detailed decisions on a policy guideline given the wider independent review of food labelling currently being undertaken by the Council of Australian Government and the nutritional review being undertaken by FSANZ.

We note that the paper states that considerable consumer research has been undertaken in various countries to assess consumer use and understanding of nutrition information on food labels.

However recent discussions between the New Zealand Food Safety Authority and New Zealand industry representatives have revealed that some major reservations are held by retailers that that this research does provide convincing evidence that labelling in fact influences customer behaviour and it is considered further research may be required on this point.

Additionally it has been suggested that the overall portion of food consumed is more important than serving sizes and this point could also be usefully explored in any further research commissioned on this issue.

It is also clear that New Zealand suppliers question the coverage of any proposed front of pack labelling scheme, particularly whether such a scheme should apply to selected types of foods only or the whole food supply.

Recent discussions with the New Zealand Food Safety Authority identifies for instance that a wide range of foods are supplied by the restaurant and catering trades and it is evident that this issue warrants further support if the matter is to be considered further.

We note that to date very limited work has been done on the cost/benefit implications of a front of pack labelling scheme and would simply state that such a regulatory assessment is crucial should Ministers proposed to advance this issue.

We agree generally with the definitive aims for the proposed front of pack labelling guidelines as they relate to guiding consumer choice, consistency with other health strategies and the effect on the environment in which consumers make choices.

However we have a real concern with adopting a fixed policy option for such guidelines when we consider the issue is best deferred until the other two inquiries outlined earlier in this submission are completed.

Whilst our preference is to maintain the status quo (after all, we have spent many years telling consumers that all the information they may want is on the back of the pack and with no strong research support, we question why change the habit of a lifetime) we recognise that if Ministers opt to progress this issue then option two which is designed to provide guidance on the scope, aim and issues to be considered when developing a front of pack labelling scheme is the best alternative option in that it is acknowledged in the discussion paper that this option may provide more scope for stakeholder participation.

We believe adoption of this option removes the necessity to make decisions at this stage on either a colour coded interpretative or non interpretative option given other policy work that is progressing on the wider obesity issues in both Australia and New Zealand

We would welcome the opportunity of discussing our submission.

New Zealand Retailers Association  
March 2009