



## **SUBMISSION**

**Ministry of Agriculture and Fisheries**  
**Food Labelling Review: Targeted Industry**  
**Stakeholder Involvement**

**5 September 2011**

# Ministry of Agriculture and Fisheries

## Food Labelling Review: Targeted Industry Stakeholder Involvement

### 1. About New Zealand Retailers Association:

The New Zealand Retailers Association (NZRA) is the most significant body in the country representing the interests of retailers. We represent an industry that has annual sales of \$66 billion and which employs 325,000 people (approx 20% of the New Zealand workforce) in more than 49,000 outlets throughout New Zealand.

Across all store types and areas we have some 5,700 members and they in turn operate some 14,000 shop fronts. These stores range from the majority of large national retailers to thousands of owner operators.

Our membership accounts for 65% – 70% of total retail expenditure (excluding the motor vehicle sector).

Within the New Zealand Retailers Association structure we also have a number of specialty groups and in the main these include retailers, importers, and suppliers of a specific product type. The specialty groups we operate are:

- Bicycle Industry
- Sporting Goods
- Jewellery
- Plumbing Distributors
- Pets/Pet Products/Equestrian Suppliers

### 2. Contact:

Barry Hellberg  
Government Relations Manager  
New Zealand Retailers Association  
Level 2, CMC Building  
89 Courtenay Place, P O Box 12 086  
Wellington

Ph: 04 805 0830  
Fax: 04 805 0831  
Email: [bhellberg@retail.org.nz](mailto:bhellberg@retail.org.nz)

### **3. Introduction:**

The Association welcomes the opportunity to present further submissions on the ongoing review of food labelling law and policy arising from the Blewett Committee.

Our interest in the issues addressed in this review originated some years ago and we filed submissions with the NZ Food Safety Authority in March 2009 and with the Australian Food Labelling Review Panel in May 2010.

We have also, along with other industry organisations, met with the Ministry to discuss the Blewett report earlier in 2011 and now wish to comment on some of the main recommendations arising from that report.

For ease of convenience our comments are listed under the four major topics and related sub-topics outlined in the targeted consultation paper circulated by the Ministry.

### **4. Alcoholic beverages:**

*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.*

#### **NZRA Comment:**

The Association is not supportive of warning labels on alcoholic beverages and believes any decision to implement such labels should be deferred until the New Zealand Government has enacted its legislative package on liquor reform which is currently before the New Zealand Parliament.

In previous submissions we have submitted that we do not support alcohol products being labelled as food as we see wine consumption for instance as complimentary to food consumption.

We also added that we do not consider full nutritional labelling is desirable for alcohol related products.

We are aware that one major New Zealand brewer has enacted voluntary labels around some of its alcohol products but we consider it is too early to evaluate its effectiveness.

### **5. Interpretative Front of Pack Labelling**

*Recommendation 50: That an interpretative front-of-pack labelling 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 labelling 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.*

#### **NZRA Comment:**

The NZRA is, as a matter of principle, opposed to both front of pack and traffic light labelling.

We remain sceptical of the extent to which information required by current labels such as nutritional information as displayed in the NIP panels, or even daily intake guides, are understood or used by many consumers and consider market research needs to be commissioned prior to any new forms of labelling being implemented.

Such research could also embrace the extent to which consumers view symbolic labelling such as the Heart Tick in the context of healthy or unhealthy foods.

We are concerned that the recommendations in the Blewett Committee's report are devoid of any such research and also that its recommendations are not supported by any comprehensive cost/benefit analysis of possible regulatory intervention.

We are not opposed to industry and public health groups meeting together to discuss such proposals but we are sceptical of any consensus being achieved.

If such dialogue was to be fostered in New Zealand it would be useful for it to be coordinated through an independent facilitator rather than a Government Agency.

## **6. Industry Initiatives: Self regulatory and Co-Regulatory Measures:**

### Food Safety

#### **NZRA Comment**

The NZRA has no specific comment on the VITAL allergen labelling system (Recommendation 8), or labelling additives of medical priority for sensitive consumers (Recommendation 11).

### Preventive Health

#### **NZRA Comment**

The Association again has no specific comments on labelling potassium (Recommendation 15) or on defining terms with health related connotations (Recommendation 19) other than to suggest that the latter issue should be considered by FSANZ in its ongoing review of health related claims

### Consumer Value Issues

#### *a) The value of industry-initiated self regulations*

*Recommendation 38: That the value of industry-initiated self-regulatory intervention be recognised 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*

#### **NZRA Comment:**

The Association sees merit and value with industry-initiated self-regulatory intervention as far as labelling is concerned.

However, we have very limited practical experience with such codes apart from the Code adopted by the New Zealand Juice and Beverage Association in the 1990's which through the Compliance Committee established under the Code evaluates the composition and labelling of fruit juice sold in New Zealand.

Consumer groups such as the New Zealand Ministry of Consumer Affairs and Consumer New Zealand have over the years been actively involved the activities of this Compliance Committee but the Committee's activities have not extended into other areas identified by the Blewett Committee such as animal welfare, religious beliefs relating to food, environmental issues, human rights issues and so on.

Nor do we think such issues will ever be considered by Codes established on a voluntary basis by industry groups.

b) *Monitoring Industry Self-Regulation*

*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.*

**NZRA Comment:**

We are not supportive of this recommendation.

The NZJBA Code outlined above is both industry funded and administered and there is no requirement to report outcomes to any Government agencies.

Any changes suggested to this or other similar Codes along the lines outlined in the recommendation would not be possible as it is solely a Code directed towards maintaining existing standards in the juice industry rather than being a Code concerned with consumer choice.

c) *Value Based definitions*

*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.*

**NZRA Comment:**

We consider there is some merit in this recommendation as the Commerce Commission or the Courts may well be asked from time to time to define more closely terms such as free range, organic or barn laid.

Presentation

a) *Guidance on Label Presentation*

*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.*

**NZRA Comment:**

We are supportive of any measures that could be adopted to improve legibility on packaged food.

However, if bigger font sizes are prescribed then much of the discretionary information on food packages may have to be removed and this would be to the detriment of the branding of the product. We recommend restrictions be placed on font size based on the percentage of available space.

## b) Co-Location of Mandatory Health Information

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

### **NZRA Comment:**

We think this is a matter which is best pursued with brand owners

## New Technologies

*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.*

### **NZRA Comment:**

This recommendation seems reasonable and one which we would support.

## Information Technology

*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.*

### **NZRA Comment:**

We are aware that FSANZ has recently implemented a policy to provide guidance on specific business queries in Australia and we suggest that such advice could be usefully extended to New Zealand. Alternatively this process could possibly be undertaken by an organisation such as GS1 who are already undertaking assessment of barcode legibility on all packaging.

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

### **NZRA Comment:**

We support this recommendation in principle

## 7. The Issues Hierarchy Framework

*Recommendation 2: That food labelling 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.*

**NZRA Comment:**

We are supportive in principle of this approach as it is consistent with the approach adopted in the new Food Safety Bill which is currently before the New Zealand Parliament and which is likely to be implemented in 2012.

## **8. 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 labelled 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 labelling should be reviewed

**NZRA Comment:**

We have no specific comment on this recommendation

## **9. Conclusion**

We trust these submissions are helpful and would welcome the opportunity to discuss them further with MAF officials.

New Zealand Retailers Association  
September 2011