



15 December 2019

COAG Health Council Secretariat
COAG Health Council
Email: HealthCHCSecretariat@sa.gov.au

Dear COAG Health Council Ministers,

Re: COAG Health Council's National Obesity Strategy Consultation

Australia currently lacks a cohesive, all-of-government approach to address obesity. The National Obesity Strategy (NOS) is a major step towards helping people make more informed decisions about their food and drink choices. This will help to tackle the growing rates of obesity in Australia.¹ Existing policy initiatives, including the Health Star Rating System, are also important for improving people's health and must be further strengthened to reach their potential and improve health outcomes.

1. Existing policy solutions need to be strengthened

Current policy initiatives including the Health Star Ratings System are an important foundation for improving consumers' health, but must be strengthened and expanded to make an impact.

1.1 Expanding and strengthening the Health Star Rating System

The Health Star Rating System has the potential to empower people to make more informed, healthier choices. This flagship public health initiative is popular among consumers, with 83% of Australians being aware of the Health Star Rating System, and 77% considering the system

¹ Australian Institute of Health and Welfare (2017), [A picture of overweight and obesity in Australia](#), Canberra.

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easy to understand.² Health Stars have also driven positive product reformulation, with many manufacturers choosing to reduce the energy, sugar and saturated fat content in products that display Health Stars.

CHOICE is pleased to see that the Ministerial Forum for Food Regulation is assessing ways in which the Health Star Ratings algorithm can be improved to better align with Dietary Guidelines, with particular improvement to the calculation of added sugar, sodium and protein. We also welcome a continued commitment to funding the Health Star Rating system.

Unfortunately, the Health Star Rating System is not working as well as it should be. Industry influence has meant that Health Star Ratings have not always provided consumers with meaningful ratings that reflect leading health advice. The voluntary nature of the system is also problematic. Health Stars help people differentiate between healthy and less healthy products, but when they are not displayed across all products in a category, people are not able to reap the benefits of this labelling system. In October 2019 CHOICE conducted original research that showed that people were significantly more likely to find it difficult to rate the healthiness of a product without Health Star Ratings, and when people saw Health Stars on some products but not others, they struggled to compare products effectively.³ The Health Star Ratings system needs to be made mandatory to ensure that it works effectively.

1.2 Introducing added sugar labelling

There is currently no requirement for companies to disclose the amount of added sugar included in the food and drinks that they manufacture. Since added sugar labelling was first recommended in the 2011 Review of Food Labelling Law and Policy, leading consumer and public health organisations have supported these reforms. Both the Australian Dietary Guidelines and the World Health Organisation (WHO) suggest limiting added sugars to avoid adverse health outcomes,⁴ yet national nutritional surveys suggest that more than half of Australians exceed recommended intakes.⁵

CHOICE welcomes the Ministerial Forum for Food Regulation's commitment to review added sugar labelling. It is important for added sugars to be clearly listed in the Nutrition Information Panel (NIP) and the display of pictorial labelling (the number of teaspoons equivalent to the

² MP Consulting (2019), [Health Star Rating Five Year Review Report](#), Melbourne, p26.

³ The survey was designed and analysed by CHOICE with fieldwork and sample of n = 1,001 provided by Dyanta. Fieldwork for this study was conducted from the 2nd of October to the 9th of October, 2019.

⁴ World Health Organisation (2015), [Guideline: Sugar intake for adults and children](#), viewed 21 March 2019.

⁵ Australian Bureau of Statistics (2015), [Australian Health Survey: Consumption of Added Sugars 2011-2012](#), Canberra.

amount of sugar in a beverage) on sugar-sweetened beverages. Added sugar labelling should be implemented as soon as possible. A timeline for quick implementation of added sugar labelling should be included as part of the National Obesity Strategy.

1.3 Improving food labels in Australia

CHOICE supports incorporating the strategies proposed under *Proposed Priority 4: Building a healthier and more resilient food system - producing and promoting healthier food and drinks with little impact on the environment*. In particular, CHOICE strongly supports the following strategies:

- Continuing to strengthen the uptake of the Health Star Rating system towards universal implementation and continuing to consider options for the ongoing enhancement of the system.
- Introducing front of pack nutrition warning labels for nutrients of concern (e.g., added sugar, sodium, saturated fats, alcohol, high energy content) to complement the Health Star Rating system.
- Supporting multi-component interventions to improve nutrition information and increasing accessibility and prominence of healthier options in supermarkets.
- Working in partnership with industry to establish and monitor reformulation targets for food and drink manufacturers, retailers and caterers.

2. Australia's food environments are stacked against consumers

As a result of marketing materials, advertising, supermarket design and industry influence over public health initiatives, food environments are stacked against consumers.

2.1 Food and drink marketing practices

The NOS needs to focus on the impact of misleading marketing practices on consumers. The food and beverage industry employs a variety of misleading marketing tactics to promote unhealthy products, many of which are aimed at children. Despite the industry's self-regulatory codes, unhealthy products are packaged and advertised with a range of health claims that are likely to mislead consumers.

For example, in October 2019, CHOICE [referred Freedom Foods' XO Crunch breakfast cereal to the ACCC](#), for potential breaches of the Australian Consumer Law. The cereal is marketed as a healthy children's food with a clear on pack statement that the product is 'good for you!' The product also has numerous claims on its packaging about the health benefits of the product, including phrases such as:

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- 'With the **goodness** of whole grains'
- '**No nasties** - no artificial colours, flavours or preservatives'
- 'Fun and **nutritious** way to start your kids' day'
- '**Good** for you!'
- '**Eat well** today, feel better tomorrow'

These claims fail to disclose that the product is made from 22.2% added sugar, in the form of cane sugar and golden syrup. This case study is just one of many examples of the marketing tactics that are used by industry to convince consumers that their products are healthier than they really are.

2.2 Publications supported by industry

The NOS needs to ensure that conflicts of interest are recognised and addressed in public health debates. Food and beverage companies also directly influence public debate and health policy by funding research to further their commercial aims. At times, industry players are also able to draw on their networks and relationships to disseminate favourable research and influence public perception on nutrition. A list of examples can be found in [CHOICE's Supplementary Submission into the Obesity Epidemic in Australia](#).

2.3 Making healthy food and drink accessible for everyone

People living in rural areas in Australia may be priced out of purchasing healthy foods. The costs of transport, handling and storage are too often passed onto consumers living in remote communities, making fresh fruit and vegetables disproportionately expensive. The 2016 Market Basket Survey showed that a Healthy Food Basket in remote Northern Territory stores was 29% more expensive than in a Darwin supermarket, and 17% higher than the average of the district centre corner stores.⁶ With CHOICE's 2019 Consumer Pulse survey showing that 66% of Australian households are experiencing financial discomfort, it is imperative that the NOS addresses access and pricing issues to ensure that everyone can afford to make healthy food and drink choices.⁷

3. A National Obesity strategy that works for consumers

CHOICE is supportive of a bold and ambitious National Obesity Strategy that will guide the policymaking in this space for the next 10 years. The NOS should make meaningful change in the food system, and ensure that people are provided with the tools and information that they need to

⁶ Department of Health (2017), [Northern Territory Market Basket Survey 2016](#), Darwin.

⁷ The survey was designed and analysed by CHOICE with fieldwork and sample of n = 1,001 provided by Dyanta. Fieldwork for this study was conducted from the 2nd of October to the 9th of October, 2019.

make informed, healthy decisions. However, education alone is not enough to counter the food and beverage industry's nefarious tactics when marketing unhealthy products.

3.1 Improving food environments to help consumers

CHOICE supports incorporating the strategies proposed under *Proposed Priority 4: Building a healthier and more resilient food system - producing and promoting healthier food and drinks with little impact on the environment*. In particular, CHOICE strongly supports the following strategies:

- Ensure our food system favours the production, processing and manufacture of healthy and sustainable products.
- Increase the availability of healthy, sustainable food and drinks in the places we live and work.
- Support targeted interventions that increase the availability, accessibility and affordability of healthy food and drinks for rural and remote communities, communities experiencing disadvantage and Aboriginal and Torres Strait Islander people.
- Reduce exposure to unhealthy food and drink marketing and promotion.
- Increase the availability and accessibility of information to support the consumer to make a healthier choice at the time of purchasing food or drinks.
- Explore policy options related to the price of food and drinks to help shift consumer purchases towards healthier options.

In order to support people to make healthy choices, we need a strong food regulatory system that is free from undue influence from the food and beverage industry. CHOICE urges the COAG Health Council to prioritise this issue priority so that Australians, particularly children, can live healthy and productive lives and are free to make informed and healthy choices.

CHOICE would be happy to further explain our position. Please contact Campaigns and Policy Adviser linda@choice.com.au.

Yours sincerely,

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