

## POLICY BRIEF – FRONT-OF-PACK TRAFFIC LIGHT LABELLING

### SUMMARY

Consumers need clear and simple nutrition information on the front of food packages to help them easily identify how healthy foods are, at a glance. Traffic light labels have consistently been found to be the most effective labelling scheme for helping consumers to understand the nutritional content of foods. There is strong evidence that traffic light labelling schemes are easier to use than other schemes, and would assist consumers from all demographic groups to make healthier food choices. The OPC recommends the introduction of a mandatory traffic light labelling scheme, consisting of coloured signposts (red, orange or green) and text (low, medium or high) for levels of fat, saturated fat, sugar and sodium. The recent national Review of Food Labelling Law and Policy recommended the introduction of a traffic light labelling scheme to help consumers make healthier food choices. While the review panel recommended that the scheme should initially be voluntary (except where health claims are made, in which case it should be mandatory), the OPC believes that a mandatory approach will ultimately be needed to ensure that the scheme is implemented by all food manufacturers.

### WHAT IS TRAFFIC LIGHT LABELLING?

A front of pack traffic light labelling scheme would use multiple traffic lights on the front of food packs to indicate levels (low - green, medium - orange, high - red) of individual nutrients such as fat, saturated fat, sugar and salt. See Figure 1 below.



Figure 1 – Colour coded traffic light label

A traffic light scheme could also be used on fast food menus, vending machines and in other settings. (For more information, see OPC policy brief ‘Fast food and vending machine nutrition information’).

### WHY IS TRAFFIC LIGHT LABELLING NEEDED?

Obesity and overweight are serious and escalating public health problems

in Australia, with significant health and economic burdens.<sup>1,2</sup> The consumption of energy-dense processed foods is a key contributor to this problem.<sup>3</sup>

Consumers need to be able to make informed choices about the food and beverages they purchase for themselves and their families.

Food labels currently fail to provide simple, accessible nutrition information that allows consumers to readily assess and compare the nutrition content and healthiness of foods.

While nutrition information panels are required on most products, they are difficult to interpret and fail to provide nutrition information that consumers can quickly understand at a glance.

The different voluntary labelling and endorsement schemes currently used by some food manufacturers can cause confusion among consumers, particularly those from lower socio-economic groups and non-English speaking backgrounds. In particular, research has found that the voluntary

Daily Intake Guide (DIG) used by a number of food manufacturers is confusing and difficult to interpret, particularly for consumers with low literacy.<sup>4,5,6</sup> (For more information about the problems with the DIG scheme, please refer to the Obesity Policy Coalition's Policy Brief 'Problems with Daily Intake Guide'.)

Consumers can also be confused and misled by the use of nutrition claims, i.e. 'high in protein' and 'low in fat' on foods that are unhealthy overall, such as sugary breakfast cereals and snack bars.

### **WHAT IS THE EVIDENCE?**

The national Review of Food Labelling Law and Policy concluded that traffic light labels have consistently been found to be the most effective in helping consumers to understand the nutritional content of foods.<sup>5</sup>

Evidence from Australia and overseas demonstrates that traffic light labelling schemes are easier to use and are less confusing than non-interpretive schemes. Evidence suggests that a traffic light scheme would assist consumers from all demographic groups to make healthier food choices at a glance (including consumers from lower socio-economic and culturally/linguistically diverse groups).

#### Australian research

In 2008, a study of Australian consumers' attitudes and responses to front-of-pack labelling was undertaken by a collaboration of Australian public health and consumer organisations, including the Obesity Policy Coalition. The study, involving 790 consumers across NSW, found that traffic light labelling is significantly more effective in assisting consumers to select healthier food products when compared with other front-of-pack labelling systems, such as the DIG. The study also found that traffic light labelling leads to more accurate assessments of nutrient levels, and is

easier and quicker to use than the other systems.<sup>4</sup>

A recent study of the cost-effectiveness of obesity prevention policies concluded that traffic light labelling would be highly cost-effective as an obesity prevention measure, and have significant effects on the health of the population, including among those with lower levels of education and lower income.<sup>7</sup>

#### International research

According to a recent review of the literature on consumer responses to front-of-pack labelling, a number of overseas studies have found that consumers respond favourably to interpretative traffic light labelling schemes and find it difficult to use non-interpretative labelling, such as labelling based on percentages and grams.<sup>8</sup>

The UK Food Standards Agency recommends the use of traffic light labels, based on its extensive consumer research in this area.<sup>9</sup> The most recent research undertaken for the UK Food Standards Agency (in May 2009) on the use and comprehension of different front of pack labelling schemes in the UK found that the coexistence of a range of front of pack labels in the UK market place makes it difficult for shoppers to understand labelling. The researchers suggested that standardising to a single, uniform label format would enhance use and comprehension of labels. The balance of evidence suggested that the most useful front of pack label for shoppers is a label combining text (the words low, medium and high), traffic light colours and percentage daily intake information.<sup>9</sup>

A recent survey of the understanding and preferences of ethnically diverse consumers in New Zealand in relation to different nutrition labelling systems found that traffic light labels were preferred to percentage daily intake

labels and nutrition information panels, were best understood, and were most helpful for consumers in identifying healthier food choices, across all ethnic groups.<sup>10</sup>

Another recent New Zealand study examined the effect of traffic light and percentage daily intake labels on children's breakfast cereals on consumers' perceptions of the products' nutritional profiles. The study found that consumers shown cereals with traffic light labels were significantly more likely to identify products with poor nutritional profiles than consumers shown products with percentage daily intake labels or the NIP only, suggesting that traffic light labels are more effective in helping consumers to identify less healthy food choices.<sup>11</sup>

#### Additional benefits of traffic light labels

In addition to guiding consumers to healthier food choices, a traffic light labelling scheme would encourage food manufacturers to change the food supply through product reformulation. There is anecdotal evidence of this occurring since the introduction of a voluntary traffic light scheme in the UK.

A single, uniform traffic light scheme would also help prevent consumers from being misled by selective nutrition content claims if they continue to be permitted in relation to unhealthy foods (as traffic lights would highlight other unhealthy or less healthy characteristics of products) and would overcome consumer confusion created by the array of existing labelling schemes.

In addition, a traffic light scheme would be consistent with other Australian healthy eating initiatives that categorise foods according to traffic light colours, such as school canteen and hospital guidelines. Children are learning to use traffic light labels colours in schools to identify healthy

food choices; it would be very useful for them to be able to apply this learning when they begin to choose their own foods in the marketplace.

It would also assist GPs and other health professionals to direct patients with diet-related conditions, such as type 2 diabetes, hypertension and cardio-vascular disease, to appropriate food choices.<sup>12</sup>

#### **PUBLIC SUPPORT**

There is strong support in Australia for a mandatory traffic light labelling scheme. In 2010, a study by the Centre for Behavioural Research in Cancer, Cancer Council Victoria (of Australian consumers who were the main household buyer) found that just over 5 in every 6 consumers (87%) were in favour of government requiring food companies to display traffic light labels on the front of food packaging to show whether the levels of fat, sugar and salt are high, medium or low, including 2 in 3 (67%) who were strongly in favour. 88% of the consumers surveyed said they would use this information when deciding what to buy at the supermarket.

#### **WHAT ACTION IS BEING TAKEN?**

In 2009, the Australia and New Zealand Food Regulation Ministerial Council commissioned an Independent Review of Food Labelling Law and Policy.

Following extensive consultation, the review panel (chaired by Dr Neal Blewett AC) released its report '*Labelling Logic – Review of Food Labelling Law and Policy Report (2009)*'.<sup>5</sup>

The report made 61 recommendations, including that a multiple traffic lights front-of-pack labelling system should be introduced to help consumers make healthier food choices. It recommended that such a system should be voluntary in the first

instance, except where general or high level health claims are made, i.e 'high in calcium for bone strength' (in which case it should be mandatory).

The Ministerial Council and Australian governments are considering the recommendations of the review panel and are expected to respond by the end of 2011.

While health and consumer groups are supportive of the proposed multiple traffic light scheme, the food industry (with the exception of Sanitarium) is vehemently opposed.

Sanitarium has recently developed a traffic light labelling system named 'The Healthy Eating System'. It includes traffic lights for saturated fat, added sugar and sodium, as well as traffic lights for positive nutrients (one traffic light for fibre and one traffic light for fruits, vegetables nuts and legumes combined). It also incorporates an overall dietary advice statement "Eat Often", "Eat Occasionally", "Eat sparingly". See Figure 2.



Figure 2 – Sanitarium's Healthy Eating System

A study conducted by Sanitarium found that consumers preferred the Healthy Eating system over traditional traffic light systems and the percentage daily intake system. They also found the Healthy Eating system easiest to understand, most likely to be used to drive food choices and most likely to influence food behaviours.<sup>13</sup>

#### WHAT ACTION SHOULD BE TAKEN?

A mandatory traffic light labelling scheme should be implemented under

the *Australia New Zealand Food Standards Code*. It should require all food products that are currently required to display a nutrition information panel to carry front of pack traffic light labels.

At a minimum, traffic light labels should consist of a coloured signpost (red, orange or green) and text (low, medium or high) for each nutrient – fat, saturated fat, sugar and sodium (as shown in Figure 1 above). These are the key nutrients of which consumers need to reduce consumption in order to improve health outcomes.

Low, medium and high ranges of nutrients should be per 100g and based on nutrition criteria developed by the Food Standards Agency in the UK. Information about these criteria is available on the Food Standards Agency website at <http://www.food.gov.uk/multimedia/pdfs/frontofpackguidance2.pdf>. These criteria should be reviewed and adapted as necessary to ensure their suitability for use in Australia.

Consideration should also be given to requiring an additional traffic light signpost indicating a product's overall nutrition profile or healthiness, i.e. an overall rating.

Further research may also be undertaken to determine whether traffic light labels should display the number of grams of each nutrient, either per 100g or serving size. If displaying grams per serving size, standard serving sizes would need to be determined by Food Standards Australia New Zealand.

#### WHY A MANDATORY SCHEME IS REQUIRED.

A voluntary scheme is unlikely to be effective, as manufacturers of unhealthy foods (that would be required to display red traffic lights) lack the incentive to implement the scheme. It is unlikely that food

manufacturers would uniformly adopt a consistent and effective traffic light labelling scheme, unless required to do so.

Food manufacturers have reacted negatively to the idea of traffic light labelling, with many adopting the DIG scheme to forestall mandatory introduction of traffic lights. Voluntary implementation of a traffic light labelling scheme may lead to inconsistencies in the type and format of information displayed on front of packs, as has occurred in the UK with voluntary introduction of traffic light labelling in some supermarkets.

As noted above, the problems with voluntary front of pack labelling have been demonstrated by the introduction of the voluntary DIG scheme by some food manufacturers in Australia. (For more information, see the OPC's

Policy Brief 'Problems with Daily Intake Guide'.)

If a voluntary traffic light system is introduced, as recommended by the labelling review, and food manufacturers fail to implement the scheme within a clear timeframe specified by government, the scheme should be made mandatory.

### **MORE INFORMATION**

For more information on traffic light labelling, please refer to the Obesity Policy Coalition's Policy Briefs:

- Responses to industry arguments against traffic light labels.
- Problems with Daily Intake Guide.
- Fast food and vending machine nutrition information.

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**About OPC**

The Obesity Policy Coalition (OPC) is a partnership between the Cancer Council Victoria, Diabetes Australia – Victoria, VicHealth and the WHO Collaborating Centre on Obesity Prevention at Deakin University. The OPC is concerned about rates of overweight and obesity in Australia, particularly in children.

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