

**Senate Community Affairs Committee**

**ANSWERS TO ESTIMATES QUESTIONS ON NOTICE**

**HEALTH PORTFOLIO**

**Supplementary Budget Estimates 2013-14, 20 November 2013**

**Question: E13-188**

**OUTCOME:** 1 – Population Health

**Topic:** Front-of-Package Labelling

**Type of Question:** Written Question on Notice

**Senator:** McKenzie

**Question:**

There are likely to be significant costs and activities required by manufacturers to successfully implement label changes. A 3 year implementation period from finalisation of the scheme, consistent with other required label changes such as the Health Claims regulation, would be more realistic.

- a) Is it viable for manufacturers to implement Front of Pack Labelling within 2 years?
- b) What feedback have you had from industry about the length of implementation?
- c) What feedback have you had from the dairy industry?

**Answer:**

- a) The Health Star Rating (HSR) system will be implemented on a voluntary basis. It is not intended that the HSR would appear on all products within this implementation timeframe, but that there would be consistent and widespread uptake.
- b) Consultations to date have confirmed that it is not feasible for large companies to introduce the HSR system on all of its products at once. The easiest and most economical approach is said to be building the HSR System label into the standard cycle of product roll outs and updates.

Consultation with industry stakeholders indicates that the HSR system label is likely to begin appearing on packs from July 2014. Rollout strategies and timeframes will differ for each organisation for a range of reasons including:

- measures to promote cost effectiveness, such as incorporating the label as part of cyclic product launches and re-launching;
  - the volume of products that would have to undergo label changes;
  - current contracts with suppliers of packaged goods may limit the number of label changes within a contract period;
  - arrangements in relation to imported packaged products; and
  - costs associated with modifying the artwork on the packages.
- c) Regarding the implementation timeframe, the feedback from the dairy industry has been similar to feedback from other industry sectors, as outlined in part b) above.