FSANZ Call for information: Nutrition Labelling - Health Star Rating and Nutrition Information Panel

Response from the Australian Dairy Industry Council

The Australian Dairy Industry Council (ADIC) appreciates the opportunity to provide comment to FSANZ in their consultation on: Nutrition Labelling - Health Star Rating and Nutrition Information Panel.

We have worked with Dairy Australia in the development of this response. This submission reflects the collective views of our members.

As the Food Standards Code and Health Star Rating system are Trans-Tasman, we provide Australia and New Zealand examples, as able.

Dairy is the third largest Australian rural industry and a key sector of the agricultural economy, with a farmgate value of $6.2 billion and a direct workforce of almost 31,300 across dairy farms and processing. In 2023/24, 32% of milk production was exported, worth around $3.6 billion. Australia is a significant exporter of dairy products and ranks fifth in terms of world dairy trade.

ADIC is the peak national representative body of the Australian dairy industry, representing the interests of dairy farmers and processors through its two constituent bodies, Australian Dairy Farmers (ADF) and the Australian Dairy Products Federation (ADPF). It aims to create a more prosperous and sustainable future for the local industry and the regional communities that rely on it.

Dairy Australia is the national services body for dairy farmers and the industry. Its role is to help farmers adapt to a changing operating environment, and achieve a profitable, sustainable dairy industry. As the industry's Research and Development Corporation, it is the 'investment arm' of the industry, investing in projects that cannot be done efficiently by individual farmers or companies.

Introduction

The Australian dairy industry has worked alongside the Government to support the development and implementation of the Health Star Rating (HSR) system from its inception, development, implementation, and review.

The dairy industry recognises the work undertaken to improve the HSR of core dairy foods (milk, cheese, and yoghurt) and alignment with the Australian Dietary Guidelines (ADG). However, there are remaining issues that impact the uptake and implementation of the HSR on dairy foods.

Until the HSR system and algorithm is amended so that an equitable outcome for all Five Food Group (FFG) foods and beverages is delivered, most notably dairy, the dairy industry is unable to fully support its implementation. We remain concerned about:

- poor scoring everyday FFG cheeses
- the systems lack of regard for the latest scientific evidence to maintain credibility and relevance
- consumer confusion on the understanding and use of the HSR system, plus mistrust, and
- the extension of the HSR system into other policy settings beyond its original scope.

Before considering whether we support mandating the HSR system, the following issues must be addressed:

1. Improve the HSR of core, everyday FFG cheeses aligned with the latest scientific evidence, so that 90% score 3 stars or above
2. Development of an ongoing comprehensive education campaign, aligned with the ADG recommendations to build consumer understanding about nutrition and how to select core foods in line with national dietary guidelines, as well as the role of the HSR.
3. Re-affirm the purpose of HSR system for packaged, retail food and beverage products only, and discourage the use of the HSR system in policy settings beyond this.

Responses to questions

1. Do you have any information and/or evidence which may support FSANZ in undertaking the preparatory work on the HSR system?

Consumer use, understanding and trust in the HSR

Insights from various Australian dairy manufacturers demonstrate that consumers lack understanding of the HSR and find it confusing:

- The FSANZ Consumer Insights Tracker (2023)[1] suggests that only 55% of consumers trust the HSR, while 21% said they distrust the system.
- The Social Shopper survey (2022)[2] showed significant confusion and mistrust with the HSR system:
    - 57% claimed to understand how the HSR works, while 38% found the HSR confusing
    - 50% think the HSR is not an accurate way of understanding the real healthiness of products
    - This Survey also showed there is still poor understanding on how to use the HSR:
        - 41% responded “You can only use HSR to compare similar products”.
        - 39% responded “You can use the HSR to compare products across the supermarket”.
        - 20% responded “I am not sure how to use the HSR to compare products”.
- The Dairy Australia Trust Tracker survey (2024)[3] showed that 85% of consumers were aware of the HSR system, however, only 8% always used the HSR and 26% used it often to make decisions. Just over a quarter (27%) never or rarely use the HSR.
- The 2021 Yoghurt Usage & Attitude study[4] (a sample from Perth, Australia) showed that only 40% of consumers believe the HSR system is accurate in indicating whether a product is healthy.

The intent of the HSR system has been oversimplified with the ongoing use of the HSR tagline used to communicate the benefits of the system; ‘*the more stars, the healthier’.*

[1] FSANZ Consumer Insights Tracker 2023. Technical Report. Available: Social science | Food Standards Australia New Zealand
[2] Manufacturer consumer research, February 2022, n= 537. Australian nationally representative sample
[3] Lewers Research. Dairy Australia Trust Tracker online survey. Wave 19, June 2024. n=1312, Australian nationally representative sample and market weighted.
[4] Manufacturer consumer research. LV Insights, Yoghurt Usage & Attitude study, November 2020 n=1000. Perth metropolitan sample.

Based on these insights, significant further investment and development of practical, targeted and ongoing education about nutrition and the role of HSR system, including how to select core foods in line with the ADG is clearly and urgently required.

Influence of the HSR system on consumer perceptions of food and purchase intention

Research from Australian yoghurt consumers indicates that health is a significant purchase driver, with 29% of respondents stating that a product being "healthier" influences their decision. The HSR system could play a role in signalling healthiness, however other factors, such as taste (26%), value for money (26%), and gut health benefits (18%), are also critical.[5] These insights suggest that the HSR may support, but not dominate, consumer decision-making in this category.

A recent systematic review identified more work needs to be conducted on the impact of the HSR on consumer decision-making[6]; to our knowledge, there is little consumer research showing how the HSR is used in the context of switching to healthier diets or dietary patterns.

An area of further work is better understanding what HSR is deemed 'healthy' or 'unhealthy' to consumers, with consideration for what this means in the context of current star ratings of core foods. Studies have classified 'unhealthy' foods as those that score <2 stars, while healthy foods have been classified as ≥ 3 stars[7]. Interestingly, consumer research has found participants were quickly able to judge a product with an HSR below 3 as 'unhealthy', while other scores were more difficult and time consuming to interpret[8].

In the context of dairy foods, this may indicate that everyday regular-fat cheddar which scores 1.5 stars is quickly considered unhealthy by consumers. There is therefore a need to better understand how the HSR can help consumers achieve healthier diets.

Challenges with industry implementation of the HSR system

A key challenge for the Australian dairy industry lies in the HSR accurately representing the nutritional value and evidence-base for core foods, such as FFG cheeses. The current HSR system continues to disadvantage dairy, particularly cheese. With 50% of everyday FFG cheeses continuing to score ≤3 stars, this has been a significant barrier to uptake of the HSR by dairy manufacturers.

A founding principle of the HSR system was for core foods to score a minimum of 3 stars. In 2019, the Ministerial Forum recognised this anomaly and asked for a review of the HSR for cheese, following the completion of the ADG review. This review remains outstanding.

Additional information is provided in Question 2.

Potential impact on consumers of mandating the HSR system

Mandating the HSR system could simplify decision-making for some consumers by providing a quick reference to healthiness. If the system is perceived as inaccurate or oversimplified, there is a risk of further eroding consumer trust in health labelling overall. For sceptical or disengaged consumers, the mandate might have minimal impact.

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[5] Manufacturer consumer research. LV Insights. Yoghurt Usage & Attitude study, November 2020 n=1000. Perth metropolitan sample.

[6] Hasni M. Health Star Rating Labels: A systematic review and future research agenda. Food Qual Pref. 2025 Jan; https://doi.org/10.1016/j.foodqual.2024.105310.

[7] Talati Z et al. The impact of interpretive and reductive front-of-pack labels on food choice and willingness to pay. Int J Behav Nutr Phys Act. 2017 Dec 19;14(1):171. doi: 10.1186/s12966-017-0628-2.

[8] Ares G et al. Comparative performance of three interpretative front-of-pack nutrition labelling schemes: insights for policy making. Food Qual Prefer 68:215–225.

There is a need to undertake research to understand consumers utilisation and evaluation of the HSR system outcomes – is the HSR producing desired knowledge and behaviour changes in line with overall health outcomes.

Potential impact on industry of mandating the HSR system

In addition to our introductory comments, dairy manufacturers have noted the following concerns regarding considerations to mandate the HSR:

- There is likely to be added complexity and cost for Australia and New Zealand based manufacturers servicing multiple markets where the HSR may not meet international labelling requirements.
- If the system were to be mandated, this would need to be done in a flexible way to ensure there is no additional regulatory burden, with an adequate transition period, i.e., flexibility on the colour of the HSR logo and use of the stars only, as opposed to the star in conjunction with thumbnails.
- The need for the HSR system to be underpinned by the latest scientific evidence to maintain credibility and relevance.

2. Are there specific areas you would like FSANZ to focus on for the HSR preparatory work? If so, please explain.

The Australian dairy industry has supported the implementation of the HSR system and believes it has the potential to become a valuable consumer education tool directed at improving eating behaviours and public health outcomes of Australians – if it is supported by appropriate and ongoing consumer education (noting it is one labelling tool, able to be used by the consumer).

However, FSANZ research showed that trust in the HSR is much lower than other labelling elements, such as the Nutrition Information Panel (NIP).[9]

Preparatory work to inform future decision making on the HSR system should therefore focus on how to improve consumer understanding, use, and trust in the system so it can truly guide healthier choices, including intake of core dairy foods including milk, cheese, and yoghurt.

The 2013 ADG recommendations encourage consumption of all types of milk, cheese and yoghurt (i.e., reduced and regular-fat, plain and flavoured) for good health. Adequate consumption has been linked with reduced risk of type 2 diabetes, heart disease, hypertension and not linked with overweight or obesity.

The health benefits of dairy foods are likely due to the Dairy Matrix effect, or the combination of their unique and complex physical and nutritional structures including high quality protein, calcium, fat, lactose, bioactives – which, when consumed as part of a whole food can benefit health. The scientific evidence supporting consumption of dairy foods in the diet, and our understanding of the Dairy Matrix continues to evolve since the release of the 2013 ADG, particularly in regard to saturated fat. We are also understanding more about other nutrients like inherent lactose and its role in health, including its potential role as a prebiotic[10] and lower carcinogenicity compared with other sugars[11].

[9] FSANZ Consumer Insights Tracker 2023: Technical Report.
[10] Firrman J et al. An in vitro analysis of how lactose modifies the gut microbiota structure and function of adults in a donor-independent manner. Front Nutr. 2023 Jan 26:9:1040744.
[11] Shi W et al. Carbon source utilization patterns in dental plaque and microbial responses to sucrose, lactose, and phenylalanine consumption in severe early childhood caries. Oral Microbiol. 2020 Jun 23;12(1):1782696.

With research on dairy foods growing year on year, it is important the HSR system reflects changing science, where relevant – a key principle that must also inform the current review of the Australian Dietary Guidelines.

Improving the HSR of Five Food Group Cheeses

From a dairy industry perspective, further refinement to the HSR system is needed to improve the star ratings of core or FFG foods; specifically, core everyday FFG cheeses such as natural, cheddar cheese.

Cheese is a nutrient dense FFG food recommended by the ADG. Our key concern remains that everyday regular-fat cheddar cheese score between 1 to 2.5 stars across Australia and New Zealand. Everyday cheese, such as cheddar, represents the bulk of cheese sold across Australia and New Zealand.[12]

Both the HSR Report to the five-year review[13] and the Ministerial Forum[14] recommended rescaling and reclassification of Category 3D FFG cheeses to improve their HSR and achieve better alignment with the Dietary Guidelines. Unfortunately, significant improvements in HSR scores have not been achieved, with 50% of FFG cheeses continuing to score ≤3 stars.[15] Further to these recommendations, the dairy industry has worked with the HSR secretariat and FSANZ over the years to improve the HSR outcomes of FFG dairy foods and beverages, specifically yoghurt and cheese (Table 1).

Table 1. HSR timeline – Dairy

2014	2017	2018	2019
HSR System introduced	Following a successful anomaly application, the HSR secretariat presented rescaling options to the dairy industry for the FFG cheese and yoghurt categories[#]	Five-Year Review stakeholder consultation The dairy industry raises low scoring everyday cheeses, such as cheddar as an issue via public submissions and workshops	The Forum publishes final response to five-year review. 90% of yoghurts score 3+ stars, but 50% of cheeses less than 3 stars (this is after rescaling). Food Ministers recommend cheese is reviewed following the ADG review
2020	**2023**	**2024**	**2026**
ADG review announced (due 2024)	ADG review timeline extended	FSANZ begin preparatory work to support mandating HSR	Final ADGs expected to be released

[#]Presentation to the dairy industry, Greg Gambrill and HSR Secretariat. Algorithm Development & Validation Methods, 2017

Cheese is sometimes less than fully endorsed by health professionals due to its sodium and saturated fat content and many consumers see it as an indulgent food. In the Australian Health Survey, cheese intake accounted for 7.2% of saturated fat and 3.9% of sodium intake, however it was the second largest provider of dietary calcium, contributing 9.6%. Cheese also provides key nutrients such as

[12] Cheese products available online at Coles and Woolworths, n= 537. Collected October 2024.
[13] Health Star Rating - Formal review of the system after five years of implementation (June 2014 to June 2019)
[14] Policy Paper: The Australian and New Zealand Ministerial Forum on Food Regulation response to the HSR system five-year review
[15] Dairy Australia data. Cheese products available online at Coles and Woolworths, n= 537. Collected October 2024.

protein, vitamin A, riboflavin, niacin, vitamin B12, vitamin K2, iodine, phosphorus, selenium and zinc in the diets of Australians.[16]

Cheese is composed of a highly complex matrix of nutrients and when nutrients such as saturated fat and sodium are consumed as part of a core food, together with other essential nutrients and bioactive components, they work synergistically to affect health – different to how the nutrients may act on their own.

Since the release of the 2013 ADG, the evidence for the consumption of cheese and health outcomes has continued to strengthen. Systematic reviews and meta-analysis show that cheese consumption is associated with a reduced risk of stroke and type 2 diabetes and is not associated with hypertension and overweight and obesity in adults[17,18,19].

Reflecting this change in evidence, The Heart Foundation updated their guidelines in 2019 on healthy eating, including dairy. These independent guidelines reviewed the latest scientific evidence on the way certain foods can impact your heart health. They concluded: *"We have removed our restriction for healthy Australians on eating full-fat milk, cheese and yogurt. While the evidence was mixed, this type of dairy was found to have a neutral effect, in that it doesn't increase or decrease your risks for heart disease or stroke"*. The guidelines represent a significant change in public health recommendations since the 2013 ADG and the dairy industry continues to reinforce the need for an evidence based HSR system underpinned by the latest science.

There is an opportunity to increase the intake of FFG cheese to meet ADG recommendations, without health consequences. If every-day FFG cheese continues to score poorly, this has the potential to discourage consumption, thereby negatively influencing dairy intake and subsequent calcium intakes, of which cheese is a key contributor to in the diet – and already less than dietary recommendations.[20]

The dairy industry recommends that FSANZ explore options to improve the HSR of FFG cheese (Category 3D), whereby at least 90% of FFG cheeses score 3 stars and above (i.e., options could include changing the weighting of saturated fat in the algorithm, additional rescaling, or the ability for FFG cheeses to score protein points). Such amendments would only impact Category 3D.

Refer to Appendix A for further information.

Cheese and cracker snack packs

The 25% rule for Categories 1D, 2D and 3D applies when mixed cheeses and other dairy products contain ≥25% of other foods. As an example of this, when cheese and crackers are packaged together, they are classified as a Category 2 food. As a result, these products score poorly under the

[16] Australian Bureau of Statistics. 4364.0.55.008 - Australian Health Survey. Usual Nutrient Intakes 2011-2012.
[17] Zhang M et al. Cheese consumption and multiple health outcomes: an umbrella review and updated meta-analysis of prospective studies. Adv Nutr. 2023 Sep;14(5):1170-1186.
[18] Feng YF. et al. Consumption of dairy products and the risk of overweight or obesity, hypertension, and type 2 diabetes mellitus: a dose-response meta-analysis and systematic review of cohort studies. Adv. Nutr. 2022;13(6):2165–2179.
[19] Chen Z. et al. Dairy product consumption and cardiovascular health: a systematic review and meta-analysis of prospective cohort studies. Adv. Nutr. 2021;13(2):439–454.
[20] Australian Bureau of Statistics. 4364.0.55.012 - Australian Health Survey: Consumption of Food Groups from the Australian Dietary Guidelines, 2011-12. 2016.

HSR system, typically receiving 1 star (Table 2). This is inconsistent with the intent of the HSR system and does not appropriately recognise the HSR of two individual core foods.

Table 2. HSR for cheese and crackers

Cheese Category 3D	Crackers Category 2	Cheese and Crackers Category 2
Australian light* tasty cheese **HSR 4 to 4.5**	Water and Rice Crackers **HSR 2.5 to 3**	Australian light tasty cheese & crackers **HSR 1-1.5**
Australian tasty cheese **HSR 1.5 to 3**		Australian tasty cheese & crackers **HSR 0.5 to 1**

*Includes reduced-fat cheeses

Cheese and cracker snacks are considered everyday FFG foods and encouraged for consumption by dietary guidelines, state government food criteria, Cancer Council and nutrition peak bodies, such as Dietitians Australia.

The dairy industry believes there is a risk that when consumers approach this category as a snack, they will compare low scoring cheese and cracker packs, with higher scoring discretionary snack foods, with cheese and crackers perceived as being exceedingly unhealthy.

Reclassification of plant-based beverages and foods away from dairy products

Within the HSR system, there is a need to reclassify plant-based beverages and foods away from dairy products – that is, the dairy beverages category (1D), the yoghurt, dairy desserts and other chilled dairy category (2D), and the cheese category (3D) due to:

- significant expansion of varieties of plant-based food and beverages since the inception of the HSR system in 2014, beyond soy to pea, rice, almond and oat as an example
- non-equivalent protein quality
- lack of micronutrient fortification standards
- significant (and often poor) nutritional variability, and
- an absence of scientific rationale on their health benefits.

The dairy categories (1D, 2D, 3D) are based on single food source (milk) and both lactose and saturated fat are naturally inherent to the dairy category. As such, plant-based beverages without inherent lactose/sugars and/or saturated fat score well when placed in dairy categories. This is misleading to the consumer, given that plant-based beverages and foods are often marketed as dairy alternatives, yet do not have the same proven health benefits of milk cheese and yoghurt and lack the nutritional equivalency.

We ask FSANZ to explore and consider this issue.

Recategorisation of frozen yoghurt from Category 2 to Category 2D

Frozen yoghurt with the same or very similar nutritional composition, ingredients and NIP to regular yoghurt should not be penalised in Category 2 and should be included in 2D with other core and non-core spoonable dairy products (yoghurt, dairy desserts and other chilled dairy). The dairy industry seeks clarity and transparency on why frozen yoghurt has not been included in category 2D.

Improved education and communication around the HSR

There is a clear need to focus on an improved communication and engagement strategy that explains a more holistic story around the HSR system – that is, its intended scope, how it is used to compare

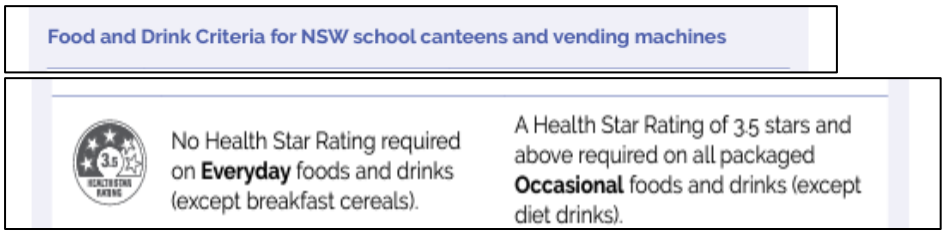
products within the same category, it is based on a select number of nutrients, it is calculated per 100g or per 100mL, and how it can be used in combination with other labelling elements and in the context of the revised dietary guidelines in achieving more healthy, balanced diets. This may help reduce consumer confusion, strengthen use and understanding and trust in the system, and importantly, help understand how these foods fit within a healthy, balanced diet.

Extension of the HSR into various policy settings

As the scope for the HSR system and in turn messaging has digressed from the original intent, the implications are profound.

Intended for packaged food and beverages in the retail setting, with the slogan 'the more stars, the healthier the choice', the HSR system is now widely being used in policy settings to determine which products can be sold and advertised.

For example, the NSW Healthy School Canteen Strategy – food and drink criteria[21] list a threshold of ≥3.5 stars for classifying 'every-day and occasional foods' that can be ranged and promoted.



Retailers are also using this criterion, with Woolworths setting product targets based on ≥3.5 stars as an example:

> *"As Woolworths Group, our goal is to make health easier for all Australians and New Zealanders. Our ambition is to work to grow the proportion of sales from healthier products (≥3.5 Health Star Rating) in our supermarkets by 50 basis points (bps) annually (2022 baseline)".*

In 2015, the New South Wales Ministry of Health and The George Institute for Global Health assessed the alignment of the HSR system with the ADG and determined that there was general alignment of the HSR system with the ADG core versus discretionary food classification system[22]. The results showed 79% of foods classified as core scored ≥3.5 stars, while only 14% of foods classified as discretionary scored ≥3.5 stars. However, when the HSR distribution was assessed across each of the core food groups, only 65% of core dairy foods scored ≥3.5 stars, while only 64% cheese and 56% yoghurts (including core custards) scored ≥3.5 stars.

Following the HSR five-year review (2020), we have seen some improvement in HSR scores for core dairy, with approximately 90% of yoghurt and 50 % of cheese scoring 3 stars or above. Within the core dairy food category, reduced-fat yoghurts score 4 to 5 stars and cheeses can score 3 to 4.5 stars, while other core dairy foods such as regular-fat cheddar and Greek yoghurt score poorly (1 to 3 stars).

A Founding Principle of the HSR system was for core or five-food groups (FFG) to score a minimum of three stars – not 3.5 stars – highlighting a lack of cohesion between the current HSR system and the policy intent to have core/FFG foods scoring 3 stars.

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[21] NSW Ministry of Health, The NSW Healthy School Canteen Strategy Food and Drink Criteria. Available: https://www.health.nsw.gov.au/heal/Publications/food-drink-criteria.pdf

[22] Dunford, E, Cobcroft, M, Thomas, M, & Wu, J (2015). Technical Report: Alignment of NSW Health Food Provision Policy with the Health Star Rating System. Sydney, NSW: Ministry of Health.

The poorer HSR scores for core/FFG dairy foods is not due to a lack of scientific evidence for health outcomes and is also inconsistent with the ADG recommendations, which encourages consumers to "enjoy a wide variety of nutritious foods from the Five Food Groups every day".

The Australian dairy industry recommends the use of the HSR in situations for which it was not intended should be actively discouraged, as it undermines the integrity of the system, risks core/FFGs being discriminated against and significantly impacted, and causes public confusion through mixed messaging – is it 3, 3.5 stars, or 'the more stars the healthier'?

3. Do you have any information and/or evidence which may support FSANZ in undertaking the holistic review of the NIP?

Consumer use, understanding, and trust in the NIP

- There is a significant opportunity to improve understanding of the NIP with consumers:
    - Consumers who use the NIP tend to focus on single nutrients, especially when buying a food for the first time (e.g., sugar (63%), fat (40%) and energy content (36%))[23] and thus overlook the whole nutrient package and the context for which the food is consumed.
    - FSANZ 'Added sugar review research' demonstrated consumer confusion with the NIP and the confusion of added sugars.
    - Most consumers do not consistently consult the NIP when purchasing yoghurt[24]. A piece of consumer research found only 15% consult the NIP "all the time", with 25% reading it "most of the time", 36% "some of the time", while 25% "rarely/never" read it.

Elements of the NIP that work well for consumers

- The standardised format ensures uniformity across products, allowing consumers to compare nutritional content when they choose to do so. For those actively managing specific dietary needs (e.g., calorie counting, managing sodium intake), the NIP remains an important resource.
- Per 100g works well for a fair comparison across product categories that declare a different serving size.

Elements of the NIP that work well for industry

- The NIP provides a clear regulatory framework for presenting nutritional data, enabling consistency and compliance across the industry.

Opportunity to improve consistency

We believe the NIP is generally fit for purpose from a consumer, industry and enforcement perspective and does not require a major overhaul or significant change. The focus should strongly be on consumer education.

[23] FSANZ Consumer Insights Tracker 2023. Technical Report.
[24] Manufacturer consumer research. LV Insights, Yoghurt Usage & Attitude study, November 2020 n=1000. Perth metropolitan sample.

However, there may be an opportunity to improve some consistency in the NIP across product categories/industry (e.g., placement of nutrient or biologically active substance for gluten, plant-sterols; wording for added sugars) and export markets (e.g., trans-fatty acids).

Changes would need to be balanced with cost of change, transition and consumer use and understanding, with FSANZ working closely with the dairy industry to determine potential changes/ improvements.

4. Are there specific areas you would like FSANZ to focus on for the review of the NIP? If so, please explain.

The NIP is generally fit for purpose from a consumer, industry and enforcement perspective and does not require a major overhaul or significant change.

FSANZ Consumer Insights Tracker 2023[25] identified that while consumers place a high amount of trust in the NIP, they are confused by it. This research did not further describe what it was about the NIP that consumers find challenging and as such, a key step in this piece of work would be to further assess understanding of the NIP when making food choices.

While the NIP itself is simple and provides consistent and factual information about the composition of a food, it does not provide information about how much of that food to eat, how frequently it should be consumed, or how it fits alongside other foods in the context of dietary patterns.

The nutrition environment is noisy; there is a range of conflicting advice and information about what people should or shouldn't eat for a healthy diet. This is despite the development of well-established and evidence-based national dietary guidelines. As such, exploring the following as part of this work may be beneficial:

- Significant further investment and development of practical, targeted and ongoing education about nutrition. This could explore how different groups of the population prefer and respond to nutrition information, together with the development of practical tools, content and a social media presence that consumers can easily engage with
- Given labelling space is restrictive, research to better understand the use of digital platforms and mobile devices in enhancing consumer knowledge (i.e., the ability to scan a product in store to better understand how that food fits into the diet of an individual). This approach is likely to be more flexible, cost effective and timely for implementing changes, potentially reducing waste from disposal of excess packaging.
- Assisting consumers to better interpret the different elements of a food product to provide a meaningful picture of its overall healthiness (NIP, together with HSR, the ingredients list, nutrition content or health claims etc.).

5. Do you have any information or evidence that specifically considers how the HSR system and the NIP can complement and support each other? If so, please provide this.

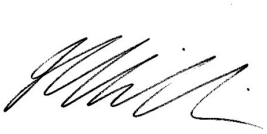
While digital labelling may be beyond the scope of FSANZ work on reviewing the HSR and NIP on labels, it does provide an avenue for further informing consumers about the foods they purchase.

[25] FSANZ Consumer Insights Tracker 2023: Technical Report

Digital labelling, such as QR codes on food products provides opportunity, without the boundary of a physical label, to inform the consumer more about the food product, offering a deeper level information. Where appropriate, it is more flexible, cost effective and timely for implementing changes, potentially reducing waste from disposal of excess packaging.

Thank you for allowing ADIC to make this submission and we welcome hearing from you.

Yours sincerely,



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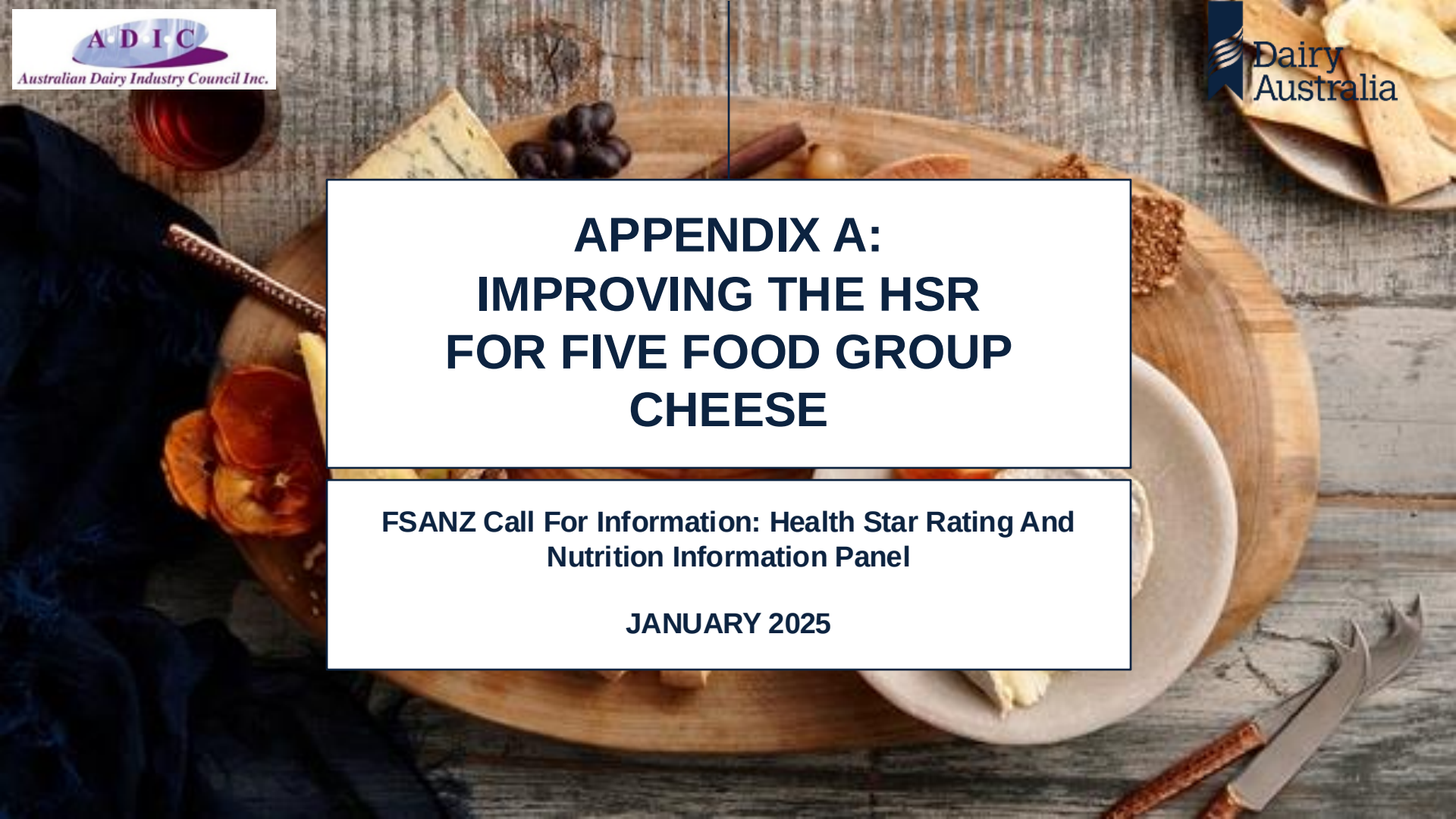

APPENDIX A: IMPROVING THE HSR FOR FIVE FOOD GROUP CHEESE

FSANZ Call For Information: Health Star Rating And Nutrition Information Panel

JANUARY 2025

APPENDIX OVERVIEW

- To provide further information to support the FSANZ Call For Information on the Health Star Rating And Nutrition Information Panel
- The information contained in this Appendix provides further evidence for the justification of the review and improvement of the Health Star Rating (HSR) for Five-Food Group (FFG) cheeses*
- Our key concern remains that everyday regular-fat cheddar typically scores 1-2.5 stars.

*FFG cheeses include all cheese types, reduced and regular-fat.

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4.	What is the issue?
6.	Improving the HSR of cheese – example solution
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BACKGROUND AND RECOMMENDATION

WHAT'S THE ISSUE?

- Cheese is a nutrient dense Five Food Group (FFG) food recommended by the Australian and New Zealand dietary guidelines.
- As part of the Five-Year Review, Food Ministers recommended the FFG cheese category (Category 3D) be reviewed to improve its HSR.
- A founding principle of the HSR System was to scale FFG foods at 3 stars or better, however **50% of FFG cheese scores less than 3 stars, with everyday regular-fat cheddar cheese scoring between 1 to 2.5 stars** across Australia and New Zealand**. Everyday cheese represents the bulk of cheese sold across Australia and New Zealand.**
- Currently, saturated fat is more heavily weighted for FFG cheese versus food and beverage categories, but there is no evidence to support harder weighting of saturated fat in cheese compared to other foods.
- The rating cheese receives has been a significant barrier to uptake of the HSR due to the concern that the rating misrepresents the full nutritional value of cheese in the diet.
- If everyday cheese continues to score poorly, this has the potential to discourage consumption, thereby negatively influencing dairy intake and subsequent calcium intakes, of which cheese is a key contributor to in the diet – and already less than dietary recommendations.

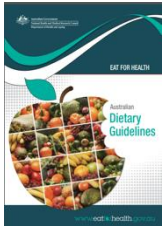
RECOMMENDATION

- Explore options to improve the HSR of FFG cheese (Category 3D), whereby at least 90% of FFG cheeses score 3 stars and above (i.e. options could include: changing the weighting of saturated fat in the algorithm, additional rescaling, or the ability for FFG cheeses to score protein points). Amendments would only impact Category 3D.

*Note as the HSR system is a Trans-Tasman system, we have included data from both Australia and New Zealand

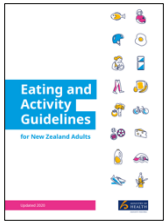
CHEESE AND HEALTH – THE EVIDENCE

DIETARY GUIDELINES AND CHEESE



Australian Dietary Guidelines

- Recommend consumption of milk, **cheese**, yoghurt and/or alternatives, mostly reduced fat every day.
- Dairy food consumption is associated with reduced risk of heart disease, stroke, type 2 diabetes, hypertension and not associated with weight gain or obesity.
- However, many public health organisations or authoritative bodies interpret this recommendation to mean consumption of reduced fat dairy only.
- The recommendation to include 'mostly reduced fat' milk, cheese and yoghurt was based on kilojoules/ dietary modelling, the current evidence base suggests a need to revisit current dietary guidance on regular fat dairy foods aligned with health outcomes, alongside revised modelling of a more contemporary Australian diet
- Cheese receives an additional qualifier of "limiting consumption to two-three times per week", as per the Eat for Health Educators Guide.



Eating and Activity Guidelines for New Zealand Adults

- The NZ Dietary Guidelines acknowledge that dairy foods are highly nutritious and contain protein, vitamins and minerals.
- However, they recommend consumption of low and reduced fat dairy to reduce their intake of saturated fat and kilojoules.
- In relation to cheese, the NZ DGs include the statement that "*Most cheeses are high in fat, much of which is saturated. For example, mild cheddar has around 37 g of fat per 100 g; 24 g of that fat is saturated. A few cheeses have less fat, such as feta (20 percent), standard Camembert (22 percent) and Edam (27 percent) although these are still high-fat foods. Ricotta cheese at 11 percent fat is a moderate fat food".*
- Based on the fat content alone, these guidelines recommend that consumers eat cheese in small amounts or less frequently

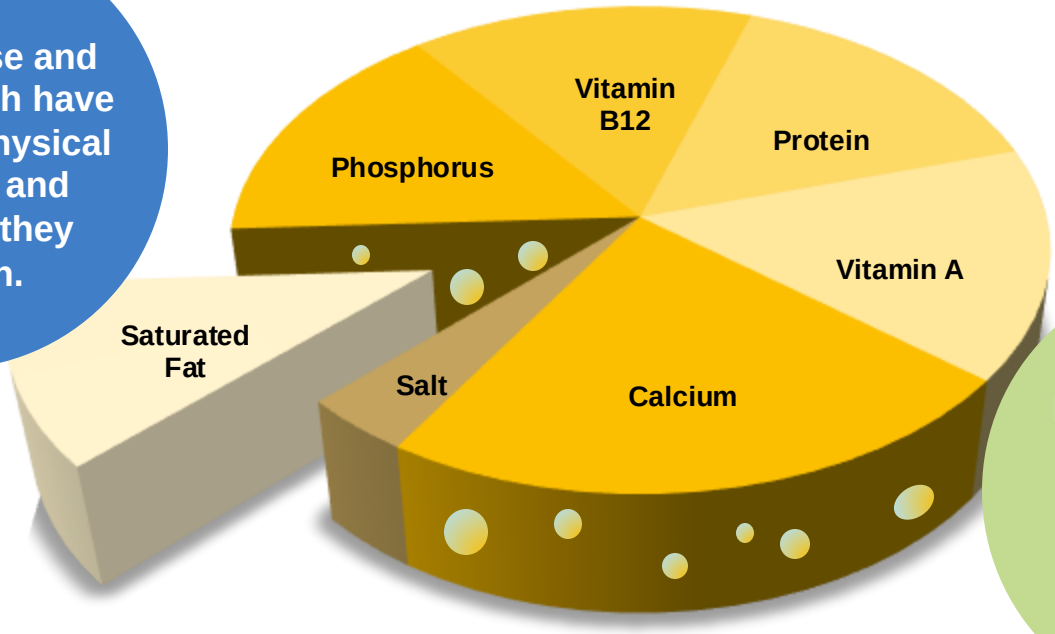
CHEESE IS A NUTRITIOUS FOOD, BUT CONSUMPTION IS LOW

- Cheese is composed of four basic ingredients; milk, starter cultures, rennet and salt
- Cheese makes a significant nutrient contribution to the diets of Australians and New Zealanders, including calcium, protein, vitamin A, B12, zinc, phosphorous and riboflavin
- However, cheese intake (12g) is less than a third of the Australian Dietary Guidelines recommended serving size of 40g
- Dairy is the second most under consumed food group; only 10% adults and 20% children meet their daily dairy serves, resulting in more than 50% not meeting their daily calcium recommendations.
- The poor HSR that FFG cheeses receive has the potential to further exacerbate this public health issue.

ABS. 4364.0.55.007. Australian Health Survey: Nutrition First Results – Foods and Nutrients, 2011-2012. Canberra 2014.

THE DAIRY MATRIX

Milk, cheese and yoghurt each have a distinct physical structure and nutrients they contain.



Dairy's unique blend of nutrients, when consumed together, has been linked with neutral or **positive health effects.**

THE COMPLEXITY OF THE CHEESE MATRIX

Bacterial cultures

Ripening/ageing

37% water

63% solids

~1% carbohydrate

~25% protein

~33% fat

Over 400 fatty acids

Lactose

Casein 80% | Whey 20%

Saturated fat 66%
Unsaturated 33%

Short | Long | Branched | Trans

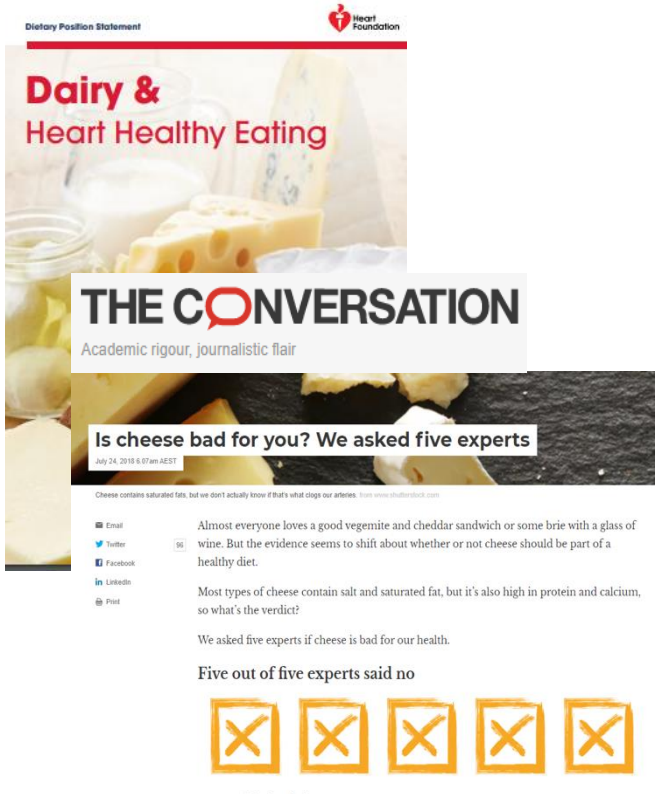
Milk fat globule membrane

Vitamins and minerals
Calcium | Riboflavin | Phosphorous
Potassium | Magnesium | Zinc | Vitamin A |
Sodium | Vitamin B12

Bioactive components (i.e. bioactive peptides)

SATURATED FAT AND DAIRY FOODS

- Since the last review of the ADGs, research supporting the inclusion of regular fat dairy (including cheese) has grown substantially.
- Based on the findings of more than 56 studies published between 2013-2018, the updated Heart Foundation guidelines now recommend that regular fat milk, cheese and yoghurt is a daily option for healthy Australians – revised from previously recommending reduced fat only*.
- A number of systematic reviews since have similarly showed little evidence for concern regarding links between consuming cheese and chronic disease risk. In fact, it can actually have either a neutral or protective effect.
- Many recent publications from international experts have called for a revision of dairy fat in dietary guidelines and within nutrition policy, including the United States.



* *Based on current evidence, there is not enough evidence to recommend full fat over reduced fat products or reduced fat over full fat products for the general population.*
Dairy and Health Healthy Eating, Heart Foundation 2019

THE HEALTH EFFECTS OF CHEESE

Cheese consumption and cardiometabolic health outcomes in dose-response meta-analysis cohort studies

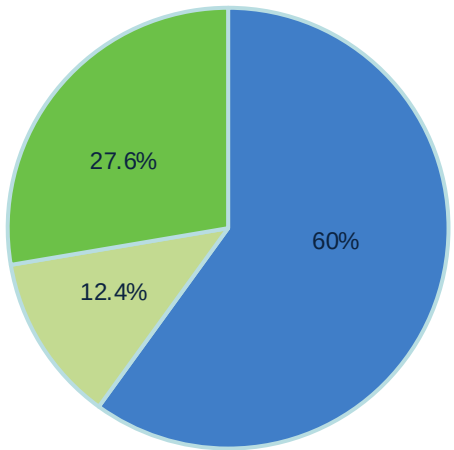
Study	Stroke	Type 2 diabetes	Coronary Heart Disease	Hypertension	Overweight and obesity
Zhang et al. (2023)	Beneficial	Neutral	Beneficial	Neutral	
Feng et al. (2022)		Neutral		Neutral	Neutral
Chen et al. (2021)	Neutral		Neutral	Neutral	
Jakobsen et al (2021)	Neutral		Beneficial		
Soedamah-Muthu and De Goede (2018)	Neutral	Neutral	Neutral		

Beneficial= statistically significant reduced risk
Neutral= no statistically significant effect – neither beneficial nor harmful
Grey cells= parameter was not assessed

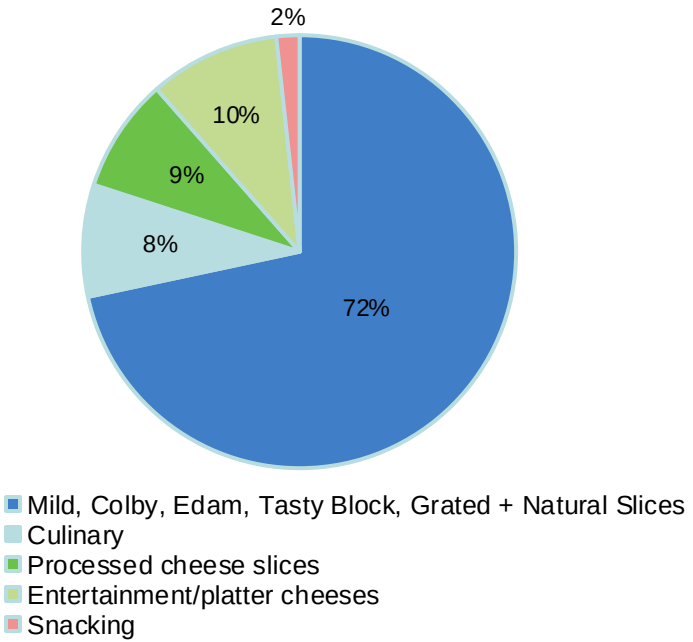
WHAT IS THE ISSUE?

EVERYDAY CHEESES REMAIN THE MOST POPULAR CHEESE TYPE (BY SALES VOLUME)

Australia*

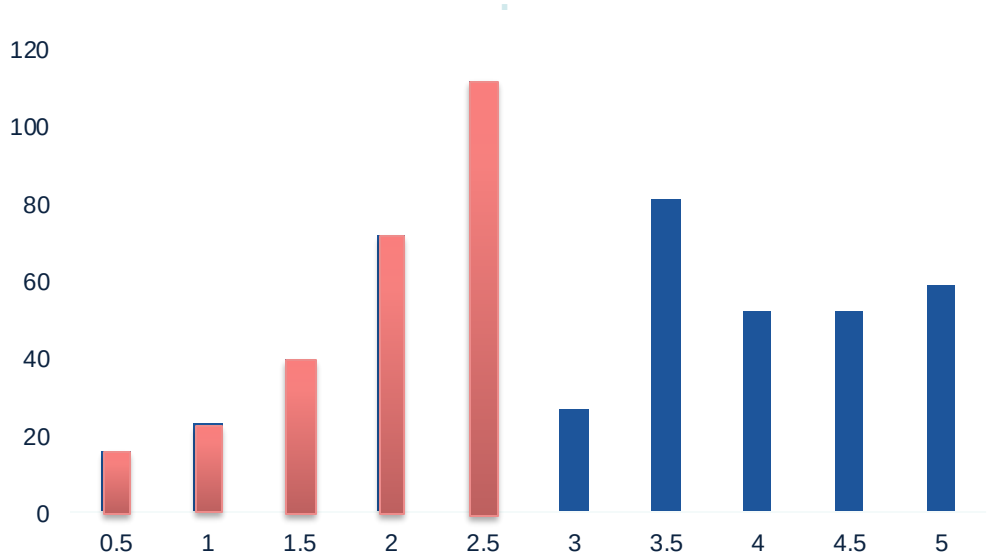


New Zealand



*Volume data. Sources: NielsenIQ Panel On Demand Homescan and NielsenIQ Retail Measurement

CURRENT HSR OF CHEESE - AUSTRALIA



HSR	Total	Cheddar (% of all cheeses)
0.5	16	1 (6%)
1	23	4 (17%)
1.5	40	19 (48%)
2	72	48 (67%)
2.5	112	60 (54%)
3	27	10 (37%)
3.5	81	9 (11%)
4	52	5* (10%)
4.5	52	9* (17%)
5	59	7* (12%)

*light/reduced-fat

Data for various cheeses data collected from Coles and Woolworths online stores in September 2024 (n= 534)

CURRENT HSR OF CHEESE – NZ

Data for various Fonterra and Goodman Fielder cheeses collected 2024 (n= 94)

IMPROVING THE HSR OF CHEESE – EXAMPLE SOLUTION

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Changing the weighting of saturated fat in Category 3D algorithm

Applying a consistent saturated fat scoring (as utilised for other foods) would resolve the anomaly that currently exists in the HSR for cheese

A consistent approach to saturated fat scoring would result in most core cheese scoring at least 3 stars, but with a spread and differentiation between regular and reduced fat options

Why this solution?

Category 3D is a **standalone** category – this can be done discretely without having an impact on other categories

There is no evidence that saturated fat should be weighted differently for cheese

All cheese considered FFG foods in Dietary Guidelines and aligns with the core calibration principle of 3 stars or above*

SUMMARY

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- Cheese is a nutrient dense FFG food with proven health benefits, yet scores poorly in relation to the HSR.
- Everyday cheese (such as cheddar) remains as the most popular variety of cheese in Australia and New Zealand.
- Low scoring everyday cheese has the potential to further exacerbate the issue of low consumption.

NEXT STEPS

- The dairy industry recommends:
  - FSANZ explore options to improve the HSR of FFG cheese (Category 3D), whereby at least 90% of FFG cheeses score 3 stars and above (i.e. options could include: changing the weighting of saturated fat in the algorithm, additional rescaling or the ability for FFG cheeses to score protein points). Amendments would only impact Category 3D.

KEY PUBLICATIONS

Zhang M et al. Cheese consumption and multiple health outcomes: an umbrella review and updated meta-analysis of prospective studies. Adv Nutr. 2023 Sep;14(5):1170-1186.

Feng YF. et al. Consumption of dairy products and the risk of overweight or obesity, hypertension, and type 2 diabetes mellitus: a dose-response meta-analysis and systematic review of cohort studies. Adv. Nutr. 2022;13(6):2165–2179.

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