



AUSTRALIAN
**FOOD &
GROCERY**
COUNCIL



AFGC SUBMISSION
Department of Health and Aged Care
Industrially-produced trans fats in
processed foods

29 September 2023

PREFACE

The Australian Food and Grocery Council (AFGC) is the leading national organisation representing Australia's food, beverage and grocery manufacturing sector.

With an annual turnover in the 2020-21 financial year of \$133 billion, Australia's food and grocery manufacturing sector makes a substantial contribution to the Australian economy and is vital to the nation's future prosperity.

The diverse and sustainable industry is made up of over 16,000 businesses ranging from some of the largest globally significant multinational companies to small and medium enterprises. Each of these businesses contributed to an industry-wide \$3.2 billion capital investment in 2020-21.

Food, beverage and grocery manufacturing together forms Australia's largest manufacturing sector, representing over 32 per cent of total manufacturing turnover in Australia. The industry makes a large contribution to rural and regional Australian economies, with almost 40 per cent of its 272,000 employees being in rural and regional Australia.

It is essential to the economic and social development of Australia, and particularly rural and regional Australia, that the magnitude, significance and contribution of this industry is recognised and factored into the Government's economic, industrial and trade policies.

Throughout the COVID-19 pandemic, the food and grocery manufacturing sector proved its essential contribution to Australian life. Over this time, while our supply chains were tested, they remain resilient but fragile.

The industry has a clear view, outlined in *Sustaining Australia: Food and Grocery Manufacturing 2030*, of its role in the post-COVID19 recovery through an expansion of domestic manufacturing, jobs growth, higher exports and enhancing the sovereign capability of the entire sector.

This submission has been prepared by the AFGC and reflects the collective views of the membership.

CONSULTATION QUESTIONS

SECTION 1: INTRODUCTION AND STATEMENT OF THE PROBLEM

Q1. Are there any other estimates of the contribution of trans fat consumption to heart disease in Australia or New Zealand?

No. The AFGC is unaware of any other estimates of the contribution of trans fat consumption to heart disease in Australia.

Q2. Is there further data on intake of trans fats in Australia or New Zealand, either at the population level, or population groups? Please provide references for your response.

The AFGC is unaware of any other current data on the intake of trans fats in Australia, either at the population level or in population groups.

As stated in the Consultation Paper, data on Australian intakes of trans fat are based on surveys from 1995 and 2011/2012 (pages 13-14). The AFGC considers the evidence upon which this consultation is based is outdated. It recommends that the data from the new Australian Health Survey, which is currently being collected, be used to inform any policy considerations with up-to-date intakes and food sources. There have been considerable voluntary efforts by the industry to further reduce trans fat content across their product portfolios over the last 10 years.

Q3. Food manufacturers- Do you have additional data on trans fat content of foods in Australia or New Zealand? Data for individual foods and food companies will be used to inform option analysis but will not be published.

Members have provided information in confidence. This will be submitted confidentially.

SECTION 2A: ACTIONS UNDERWAY IN AUSTRALIA AND NEW ZEALAND TO SUPPORT CONSUMERS TO LIMIT CONSUMPTION OF TRANS FATS

Q4a. Is there any data available on the number or proportion of products that declare trans fat content in the Nutrition Information Panel for Australia and/or New Zealand?

No

Q4b. Is there any data available on the number or proportion of products that declare hydrogenated oils in the Statement of Ingredients for Australia and/or New Zealand

No.

Q4c- Food manufacturers- what information do you provide to consumers about the trans fat content of your food products?

No.

SECTION 2B: REFORMULATION ACTIVITIES TO REDUCE TRANS FAT IN FOODS IN AUSTRALIA AND NEW ZEALAND

Q5a. Food manufacturers- what reformulation activities have you undertaken in the last 10 years to reduce the use of trans fats/partially-hydrogenated vegetable or fish oils?

The Australian food industry commenced eliminating trans fat from the food supply in the late 1990s through a voluntary industry-led program¹.


The timely response from major margarine companies, followed by a wider industry response, has seen levels of industrial trans fats in the Australian diet fall to just one-eighth of 1% of dietary energy. From the 2011/12 National Nutrition and Physical Activity Survey, trans fats contributed just 0.6% of dietary energy in the diet of Australians which is well below the World Health Organization recommendation that trans fats contribute no more than 1% to the diets of adults².

Many food companies have policies to reduce the trans fat content and use of partially hydrogenated oils across their portfolios. Examples:

- Nestle³ has a *Trans Fat Policy* first established in 1999 which was strengthened in 2003 and consequently significantly reduced the trans fat content with the majority of products now free of partially hydrogenated oils. Their policy target was to remove trans fat originating from partially hydrogenated oils from all food and beverage products by the end of 2016 which was achieved.
- Fonterra has nutrition commitments⁴ that include not adding trans fats to products.

Fat

- We recognise the role that full fat and reduced fat dairy foods play in a healthy, balanced diet as outlined within the Australian Dietary Guidelines
- We aim to provide our consumers with products of varying fat content to provide them with choice and in line with the Australian Dietary Guidelines
- **We do not add industrial trans fatty acid sources into our products**



- Arnott's Group focussed on trans fat reduction a decade ago, and consequently their portfolio is now virtually trans fat-free although traces are still detectable due to the deodorisation process.

¹ Food Standards Australia New Zealand. Roundtable on trans fats in the quick service restaurant industry—report on survey of progress of voluntary initiatives to reduce trans fatty acids in the Australian food supply: July 2009. Commonwealth of Australia. 2009 https://www.foodstandards.gov.au/publications/documents/TFAs_roundtable_2009.pdf

² Australian Bureau of Statistics (ABS). 4364.0.55.007 Australian Health Survey: Nutrition First Results- Food and Nutrients, 2011-12. 2014.

³ Nestle Policy on Trans Fat. 2014.: http://thenest-eur-hq.nestle.com/TP/TP_OPIN

⁴ [fonterra-australia-nutrition-commitments-23-updated.pdf](https://www.fonterra.com/australia-nutrition-commitments-23-updated.pdf)

- Unilever -

“Unilever supports the World Health Organization’s (WHO) view that food manufacturers and retailers should remove industrially produced trans-fat (iTFA) from the food supply. As part of the Unilever Sustainable Living Plan, in 2012 we achieved our goal to reduce trans fats from partially hydrogenated vegetable oils (PHVO) to less than 1g per 100g.

In 2019 Unilever made a global commitment to the WHO, to ensure that all iTFA across our portfolio will not exceed 2% of the total fat content by 2023. Unilever ANZ has been working closely with our suppliers and renovating products where necessary. We sharpened our specifications for iTFA and found alternative ingredients that meet the WHO threshold to use in our product reformulations.

Today, Unilever ANZ does not use any PHVO as a food ingredient and all of our products comply with the above iTFA guidelines. “

Q5b. Food manufacturers- What has been the impact of cooking oil price increases and supply shortages on your products? What alternate oils are being used?

The AFGC members report that the impact of cooking oil prices and supply shortages affected the supply of sunflower and safflower oil following Russia’s invasion of Ukraine. However, this had not impacted or shifted industry policy on reducing the use of trans fat or partially hydrogenated oils.

SECTION 3: OBJECTIVES

Q6. Do you agree with the proposed objective of this work?

Yes, in part.

The AFGC supports the current voluntary requirement of labelling trans fat in the nutrition information panel, and if nutrition content claims have been made about fats or health claims have been made relating to cholesterol. Specifically, cholesterol; saturated, trans, polyunsaturated or monounsaturated fatty acids; or omega-3, omega-6 or omega-9 fatty acids.

However, with the lack of contemporary data, the AFGC does not consider there is a strong case to amend the current labelling requirements for the trans fat content of foods in Australia (or New Zealand).

As background, mandatory trans fat labelling was dismissed in the European Union (EU) when options to reduce trans fat consumption were reviewed, as highlighted in 2016 in the European Commission Inception Impact Assessment report⁵ on the initiative to limit industrial trans fat intakes.

⁵INCEPTION IMPACT ASSESSMENT Initiative to limit industrial trans fats intakes in the EU
https://ec.europa.eu/smart-regulation/roadmaps/docs/2016_sante_143_trans_fats_en.pdf

SECTION 4: OPTIONS

Q7. Are there additional policy options that should be considered? Please provide rationale and the benefits and risks of your suggested option.

Yes.

The AFGC considers that one of the policy options that is not pursued, 'Education', is critical; and should be part of ongoing information campaigns on food consumption and health by government and other relevant bodies.

Any educational material should differentiate between the risks associated with industrially produced trans fats and ruminant trans fats.

Any measure/option that focuses solely on communication of a single nutrient risk, without consideration of the food's role in the diet and dietary guidelines, could inadvertently mislead consumers as to the overall healthfulness of food and discourage consumption of nutrient-dense foods such as dairy, which contains inherent ruminant trans fats. Consumption of dairy products is part of the Australian Dietary Guidelines and has associated health benefits.

The AFGC does not consider any other additional policy options should be considered.

SECTION 4.1: POLICY OPTION 1 - STATUS QUO

Q8a. Are the risks and limitations associated with the status quo described appropriately?

Potentially some.

The AFGC agrees that some consumers will continue to be exposed to industrially-produced trans fats and some sectors of the population may continue to exceed recommended trans fat limits.

As previously stated, current data are required to ascertain the extent of the issue i.e. what percentage of the population is exceeding this WHO level, and what food types are being consumed that contribute to this higher intake in this population sub-group.

Reformulation efforts have and continue to drive the reduction of trans fat in the food supply which is a key factor as to why the Australian (and New Zealander) consumers' intake of trans fat reportedly remains low.

Additionally, as partially hydrogenated oils are not permitted in several countries that Australian food companies export to, this has led domestic businesses to voluntarily avoid using them for some time.

Q8b. Are there additional risks that have not been identified??

No.

SECTION 4.2: POLICY OPTION 2 - VOLUNTARY REFORMULATION

Q9a. Are the risks and limitations associated with Option 6.2 described appropriately?

The food industry has responded in the past through collaborative voluntary efforts with the government to reduce the use of oils that are partially hydrogenated and to reduce trans fat content - a key example is the reformulation of margarine and margarine spreads in the 1990s and the Roundtable of Quick Service Restaurants in 2009⁶

Reformulation initiatives rely on strong industry participation, especially of those companies that rely on ingredients that may be high in trans fat or partially hydrogenated oils. A key factor in any reformulation activity's success is access to technologies that allow for reformulation to occur without affecting the end product.

Baked pastry-related products and popcorn have been identified as key sources of trans fat in the Australian food supply consumed by a vulnerable sub-population group. Pastry relies on the functionality of fats. Fat-containing ingredients soften flour products and incorporate delicate flavour into them as a result of better dough aeration and the lubricating effect in the mouth⁷

Examples of fats that are commonly used in pastry making include butter, lard, vegetable oils, hydrogenated shortening, and emulsified shortenings⁸. Fats and oils are commonly classified as shortening agents⁷. The term shortening refers to the ability of fats to lubricate, weaken, or shorten the structure of food components to provide a food product with desirable textural properties⁹

In the process of dough kneading, the flour protein interacts with water to form long strands of gluten, which are tough and elastic. When fat is added to the formulation, the pastry dough is easier to handle and tends to have a crumblier texture that melts in the mouth. Fat interrupts the development of the gluten strands by hindering them from the water in the recipe, resulting in the long strands of gluten being 'shortened' and giving a weaker, less rigid structure to the baked pastry^{6,8}. The quantity of fat used in the recipe is also the key to achieving favourable texture. Most pastry recipes contain between 40-50g of fat per 100g of flour. The pastry dough turns out to become tough and elastic without fat. It becomes flinty, and brittle with shrinkage and distortion when baked. However, the dough will become soft and difficult to handle if the fat level is excessive resulting in the baked pastry being soft and crumbly⁹.

⁶ Roundtable on trans fat in the quick service restaurant industry – report on a survey of progress of voluntary initiatives to reduce trans fatty acids in the Australian food supply. [Microsoft Word - Item 3.6 - TFAs in the Aus and NZ Food Supply - Att1_3 \(foodstandards.govt.nz\)](#)

⁷ Renzyaeva, T. V. (2013). On the Role of Fats in Baked Flour Goods. *Food And Raw Materials*, 1(1), 19-25.

⁸ Suas, M. (2012). *Advanced Bread and Pastry* (p. 479). Clifton Park, NY: Delmar Cengage Learning.

⁹ Bent A, Bennion E, Bamford G. (2013). *The Technology of Cake Making* (6th ed., p. 42). UK: Springer Science & Business Media.

Industry may replace industrially-produced trans fats with saturated fats, which are less harmful than trans fats, but should still be limited in the diet.

Q9c. Food manufacturers- How likely are you to be involved in this voluntary reformulation program? How many products are likely to be reformulated?

The AFGC and its members support voluntary reformulation initiatives, whereby the industry has a proven track record of voluntarily reducing trans fat and the use of partially hydrogenated oils.

There is a lack of contemporary data on trans fat intake by the Australian population or trans fat levels in food to indicate the size of the issue, or how it may have changed since data was last collected over 10 years ago. Until current data are available, the industry continues in its efforts to voluntarily reduce levels of trans fat or the use of partially hydrogenated oils in processed foods. A number of member companies have internal policies to reduce trans fat in the manufacture of their products (see response to Question 5a)

9d. Food manufacturers- how would this option impact you (include cost estimates where available)? What would be a suitable time frame for this option to be implemented in your organisation

Reformulation may be more cost-effective than legislative approaches and can be more flexible with the ability to change reformulation targets if required.

Reformulation efforts would need to be targeted for specific food products in the retail and out-of-home sectors. The latter sector is challenging to engage due to its heterogeneity, ranging in size and capability from small to large enterprises. Despite this, quick-service restaurants have been engaged and consulted in the past by the government through the Trans Fat Roundtable which resulted in successful voluntary measures to reduce trans fat, with a noted decline.

The regulatory burden in Australia should be as low as possible while maintaining high levels of consumer protection. The best protection for the industry against excessive regulatory burden is through adherence to the Council of Australian Government's (COAG) guidance¹⁰ on best practice regulation which advises clear problem identification, establishing an evidence-based, estimating both the benefits and costs of a regulatory intervention through a formal regulatory impact statement, consultation with stakeholders and a proportionate regulatory response.

9b. Are there additional risks and limitations that have not been identified?

None can be identified.

9e. What implementation issues need to be considered for this option?

Alternative fats

¹⁰ Best Practice Regulation: A guide for Ministerial Councils and National Standard Setting bodies. COAG October 2007.

The industry needs to have access to alternative fats that provide the functionality of these partially hydrogenated oils fats.

Adequate time is also required to phase in the use of these alternatives, and potentially update labelling.

Additionally, very small amounts of trans fats are formed as oil is heated up during the deodorisation step of oil processing therefore it is not possible to eliminate them (and still produce a safe and high-quality refined oil). Trans-fat levels over 1% can occur in plant oils if the oil has been processed at too high a temperature or reprocessed multiple times.

Current alternatives to using virtually trans fat-free margarine in the manufacture of bakery products include margarine and shortenings that are often high in saturated fat

For example, Perfex Ready Bits Medium 15kg | EOI Bakery [Perfex Ready Bits Medium 15kg | EOI Bakery](#)



PRODUCT DESCRIPTION

Perfex Ready Bits Medium is a medium grade all vegetable margarine in ready bits for use in puff pastry lines. This product is virtually Trans Free and is suitable for vegetarian and vegan use.

INGREDIENT LISTING

Vegetable fats and oils, Water, Salt, Emulsifiers (471, soy bean lecithin), Acidity Regulators (331,330), Antioxidant [307b, from Soy Bean (160mg/kg)], Flavour and Colour (160a).

NUTRITION INFORMATION

SERVINGS PER PACKAGE: N/A
 SERVINGS SIZE: N/A QTY PER 100g
 ENERGY 2990kJ
 FAT, total 80.8g
 – Saturated 60.9g
 – Trans 0.8g
 – Monounsaturated 14.9g
 – Polyunsaturated 4.2g
 CHOLESTEROL <5mg
 SODIUM 1450mg
 POTASSIUM 5mg
 All specified values are averages unless otherwise indicated.

Industry guidance

The Government under the Healthy Food Partnership (HFP) initiative has developed voluntary industry guidelines on food and drink serving sizes and is in the process of developing voluntary industry guidelines for food for early childhood.

Similar guidelines prepared in partnership by industry and government would be an important step for any further voluntary reformulation in terms of expectations and monitoring. The HFP seems well-placed to do this.

SECTION 4.3: POLICY OPTION 3 - REGULATORY LIMITS FOR INDUSTRIALLY-PRODUCED TRANS FATS IN PROCESSED FOODS

Q10a. Are the risks and limitations associated with Option 6.3 described appropriately?

Yes. The AFGC supports the issues outlined in the consultation paper that consideration is required regarding enforcement and regulatory limits:

“enforcement methods for foods containing both industrially-produced and ruminant trans fats, due to challenges in differentiating between ruminant and industrially-produced trans fats through analytical methods”. (p4)

And,

“Unless well-designed regulatory limits are introduced this option may disadvantage dairy and meat products due to the inherent existence of ruminant trans fats which cannot be reformulated and are not in the scope of this work. Industry may replace industrially-produced trans fats with saturated fats, which are less harmful than trans fats but should still be limited in the diet.” P 4

The cost of monitoring and evaluating the industrial trans fat content to verify the regulatory limit would be significant to the jurisdictions.

If this option proceeded, it is likely that the saturated fat level of foods would increase as a consequence of removing trans fat and/or the ban on partially hydrogenated oils. This is evidenced by two studies^{11 12} investigating the impact of policy intervention to limit trans fats with mixed results of change in levels of saturated fats (increased and decreased) and total fat (increased, decreased, no change). An increase in saturated fat levels was observed in bakery products, cakes, biscuits, and popcorn.

Furthermore “The removal of trans fats from food may simply lead to higher levels of saturated fat, thereby limiting the public health effect of trans fat policies. However, our findings indicate that reformulation resulted in the removal of trans fat with little change in saturated fat content in the majority of products; bakery products were an exception”¹¹.

The AFGC reiterates that the regulatory burden in Australia should be as low as possible while maintaining high levels of consumer protection. This is best achieved through the food regulation system’s adherence to the Council of Australian Government’s (COAG) guidance on best practice regulation.

¹¹ Downs SM, Thow AM, Leeder SR. The effectiveness of policies for reducing dietary trans fat: a systematic review of the evidence. Bull World Health Organ. 2013 Apr 1;91(4):262-9H. doi: 10.2471/BLT.12.111468. Epub 2013 Feb 4. PMID: 23599549; PMCID: PMC3629452.

¹² Downs SM, Bloem MZ, Zheng M, Catterall E, Thomas B, Veerman L, Wu JH. The Impact of Policies to Reduce trans Fat Consumption: A Systematic Review of the Evidence. Curr Dev Nutr. 2017 Nov 13;1(12):cdn.117.000778. doi: 10.3945/cdn.117.000778. PMID: 29955689; PMCID: PMC5998794.

This guidance outlines the need for clear problem identification, establishing an evidence-based, estimating both the benefits and costs of a regulatory intervention through a formal regulatory impact statement, consultation with stakeholders, and a proportionate regulatory response.

There is no current data on trans fat intake by the Australian population or trans fat levels in food to indicate the size of the issue, and whether there have been changes since last examined over 10 years ago. Until contemporary data are available the industry supports voluntary efforts to reduce high levels of trans fat or use of partially hydrogenated oils in processed foods.

Q10b. Are there additional risks that have not been identified?

No comment.

Q10c. Food manufacturers- how would this option impact you (include cost estimates where available)? How many SKUs would be affected? What would be a suitable time frame for this option to be implemented in your organisation.

Generally, with any change to product composition, there is a need for a minimum of 24 months of transition time and 12 months of stock in trade to make changes to both the composition and labelling. Label changes require a business to undertake an audit of all products/SKUs, identify and make label changes where necessary, order and update new labels (often from overseas), and consider existing labelling stock (i.e. packaging waste).

Q10d What implementation issues need to be considered for this option?

Industry access is required to alternative fats that provide the functionality of these partially hydrogenated oils fats, particularly for bakery products.

Q10e. Food manufacturers- what oils are you most likely to use in place of partially hydrogenated oils?

Current alternatives to using virtually trans fat-free margarines in the manufacture of bakery products are margarines and shortenings that are often high in saturated fat.

For example, Perfex Ready Bits Medium 15kg | EOI Bakery [Perfex Ready Bits Medium 15kg | EOI Bakery](#)

SECTION 4.4: POLICY OPTION 4 - PROHIBITING USE OF PARTIALLY-HYDROGENATED OILS IN PROCESSED FOODS

Q11a Are the risks and limitations associated with Option 6.4 described appropriately?

Yes. The Industry may replace industrially-produced trans fats with saturated fats which are less harmful than trans fats but should still be limited in the diet

It is known that very small amounts of trans fats are formed as oil is heated up during the deodorisation step of processing, therefore it is not possible to eliminate them (and still produce a safe and high-quality oil). In some instances, trans fat levels over 1% can occur in plant oils if the oil has been processed at too high a temperature or reprocessed multiple times.

In implementing this option, an agreed definition for partially hydrogenated oils would be required to enable compliance and remove confusion e.g. with vegetable oils and other foods containing trans containing some trans fats not resulting from partial hydrogenation, etc. Manufacturers require clarity to distinguish fully hydrogenated oils from partially hydrogenated ones.

In addressing the issue of industrially-produced trans fat, the US Food Drink Administration (FDA) has defined partially hydrogenated oils¹³:

“partially hydrogenated oils are those fats and oils that have been hydrogenated, but not to complete or near complete saturation, and with an iodine value (IV) greater than 4.” [See definition below]

Concerning the removal of partially hydrogenated oils from the food supply, the FDA established January 2021 as the final compliance date to allow manufacturers time to reformulate foods and ensure an orderly transition in the marketplace.

The FDA’s actions regarding partially hydrogenated oils address “artificial” sources of trans fat; however, trans fat will not be completely removed from the food supply as it occurs naturally in meat and dairy products and is present at very low levels in other edible oils.

For impact and implementation, the testing and verification methods as noted for the previous option also apply to this option as do the costs of such steps.

There may be supply-side impacts that manufacturers identify. It is not clear what the basis for stating that a minority of manufacturers would likely be affected when there is a limited estimate of the number of manufacturers using trans fats at all including industrially produced trans fats.

II. Definitions and Scope, and Related Comments With FDA Responses

(Comment 1) Some comments requested that we define PHOs and clearly delineate them from FHOs. The comments suggested various parameters for defining these fats and oils, including setting a specification for *trans* fat content (e.g., a percentage) or using iodine value (IV; also interchangeably called iodine number).

(Response) FDA agrees with the comments that we should define PHOs to differentiate them from FHOs, which are outside the scope of this order. When a fat or oil is hydrogenated, the degree of hydrogenation can be tailored to obtain the desired properties for the application. FHOs are produced by allowing the hydrogenation process to proceed to complete or near complete saturation to obtain a more solid fat. In practice, the reaction does not proceed to 100 percent completion, even when producing FHOs, and some degree of unsaturation unavoidably remains in the final fat or oil. Non-hydrogenated refined fats and oils generally contain *trans* fatty acids as an unavoidable impurity as a result of high-temperature processing, at levels typically below 2 percent (Ref. 2). The IV of a fat or oil is not a direct measure of the TFA content, but is a measure of the degree of unsaturation. Thus, in a fat or oil that has been hydrogenated, a low degree of unsaturation (i.e., a low IV number) will correlate to a low level of TFA. FHOs with an IV of 4 or less generally contain *trans* fat at levels similar to non-hydrogenated refined fats and oils (less than 2 percent). By contrast, when the hydrogenation process is arrested before near complete saturation, *trans* fat content is typically higher, and IV is typically greater than 4.

Based on data for FHOs that are currently available on the market, which are indicative of modern hydrogenation technology (Ref. 16), we define FHOs for the purposes of this order as fats and oils that have been hydrogenated to complete or near complete saturation, and with an IV of 4 or less, as determined by a method that is suitable for this analysis (e.g., ISO 3961 or equivalent). FHOs are outside the scope of this order. For the purposes of this order, we define PHOs as fats and oils that have been hydrogenated, but not to complete or near complete saturation, and with an IV greater than 4 as determined by a method that is suitable for this analysis (e.g., ISO 3961 or equivalent). These definitions will ensure that IP-TFA content in the food supply will be kept to the minimum amount feasible with current technology, except as otherwise authorized.

¹³ <https://www.fda.gov/food/cfsan-constituent-updates/fda-completes-final-administrative-actions-partially-hydrogenated-oils-foods>

Q11b. Are there additional risks that have been identified?

No.

Q11c. Food manufacturers- how would this option impact you (include cost estimates where available)? How many SKUs would be affected? What would be a suitable time frame for this option to be implemented in your organisation?

Generally, with any change to product composition, there is a need for a minimum of 24 months of transition time and 12 months of stock in trade to make changes to both the composition and labelling. Label changes require a business to undertake an audit of all products/SKUs, identify and make label changes where necessary, order and update new labels (often from overseas), and consider existing labelling stock (i.e. packaging waste).

From discussion with members, the AFGC understands that non-hydrogenated plant oils generally contain under 2g trans fats per 100g trans fat e.g. usually around 1g trans fats per 100g. The FSANZ Australian Food Composition database reports that some vegetable oils contain close to 2g trans fats per 100g (e.g. sunflower oil is 1979mg/100g in the database).

Q11d. What implementation issues need to be considered for this option?

No comment

Q11e. Food manufacturers- what oils you most likely to use in place of partially hydrogenated oils? Food manufacturers- what oils you most likely to use in place of partially hydrogenated oils?

Same response as per Q10e.

The industry needs access to alternative fats that provide the functionality of these partially hydrogenated oils fats.

Current alternatives to using virtually trans fat-free margarines in the manufacture of bakery products are margarine and shortenings are often high in saturated fat.

For example, Perfex Ready Bits Medium 15kg | EOI Bakery [Perfex Ready Bits Medium 15kg | EOI Bakery](#)

SECTION 4.5: OPTIONS CONSIDERED BUT NOT PURSUED**12. Do you agree that these options should not be pursued further?**

No. The industry supports risk-based proportionate regulation with consideration of non-regulatory approaches in the first instance. Therefore, it does not support fiscal measures nor mandatory labelling of trans fats in foods, especially if all foods require changes to labels despite not containing any trans fats.

As cited in the consultation paper, labelling interventions are unlikely to have the intended outcome of reducing inequalities of the vulnerable groups that have high intakes of trans fats in their diet as they are from a lower SES status and lower levels of education (page 49).

Education

While supporting the need for ongoing education of stakeholders, the food industry must be a key focus as the products identified as having higher levels of trans fat are mainly bakery-style products and pastries. These are produced by a range of businesses - small to medium enterprises and large global companies. The former would require and benefit from understanding why the use of partially hydrogenated oils is a health problem, and what alternatives are available.

Additionally, any educational material should also differentiate between the risks associated with industrially produced trans fats and ruminant trans fats based upon consumption. Consumption of dairy products is part of the Australian Dietary Guidelines and has associated health benefits.

It is worth noting the approach taken by the EU Commission Regulation (EU) 2019/649 in clearly excluding trans fat naturally occurring in fat of animal origin. They have produced a fact sheet for consumers explaining the differences between the two trans fat types.

“Trans fats in industrially produced fats can be technically reduced and alternative fats and oils for food production exist, while the proportion of natural trans fats in animal fats is limited, relatively stable and reducing them is not possible. “

Q13- Do you agree with the analysis of how well the proposed options would achieve the proposed objective? If not, please describe why and provide references with your response

The AFGC fundamentally disagrees with the case put forward as the evidence base for food composition and consumption of industrially-produced trans fat is outdated.

The AFGC considers that more up-to-date information is required in order to justify a ban or a prohibition that may not be needed as the very low incidence of industrially-produced trans fats (possibly less than 0.5% of foods) or the very low use of partially-hydrogenated oils in the food supply.

As stated previously, this approach would be contrary to minimum effective and risk proportionate regulation in relation to a small part of the food supply.

SECTION 5:: IMPACT ANALYSIS (COSTS AND BENEFITS)

Q14a. Do you agree with the description of the possible benefits associated with the proposed options?

No. AFGC disagrees with “limited benefits” being attributed to the status quo on the basis that data available have shown a decrease in content/consumption of trans fats over time, and there is no indication that steps taken to achieve that trend have ceased.

Furthermore, costs have generally not been considered in the assessment of how well the proposed policy options achieve the objective of the work.

Q14b. Are there additional benefits associated with all or some of the proposed options that have not been

No further comment.

Q15. Are there additional costs associated with all or some of the proposed options that have not been captured? Please explain your rationale and your calculations.

The AFGC agrees there are benefits in reducing or eliminating industrially-produced trans fats in the food supply.

The AFGC and its members support voluntary reformulation initiatives, which the industry has a proven track record of achieving as it relates to reducing trans fat and the use of partially hydrogenated oils.

SECTION 6: PREFERRED POLICY OPTION**16. What do you consider to be the preferred policy option(s) to recommend to Food Ministers? Please explain your rationale.**

The AFGC supports status quo encompassing voluntary reformulation.

The AFGC supports voluntary reformulation initiatives. The Industry has a proven track record of voluntarily reducing trans fat and use of partially hydrogenated oils.

The AFGC does not support additional regulatory measures.

Based on the data upon which the analysis was undertaken in this document, further evidence and costings are required before any regulatory option can be supported by the food industry and thus recommended to Food Ministers.

There is a lack of contemporary data on trans fat intake by the Australian population or trans fat levels in food to indicate the size of the issue, and if the issue has changed since data was last collected over 10 years ago. Until current data are available, the industry supports voluntary efforts to reduce levels of trans fat or partially hydrogenated oils in processed foods.

The regulatory burden in Australia should be as low as possible whilst maintaining high levels of consumer protection. The best protection for the industry against excessive regulatory burden is through adherence to the Council of Australian Government's (COAG) guidance on best practice regulation which advises clear problem identification, establishing an evidence-based, estimating both the benefits and costs of a regulatory intervention through a formal regulatory impact statement, consultation with stakeholders and a proportionate regulatory response.

If new data indicates that there is an issue with population intake of trans fat and/or increased levels of trans fat or partially hydrogenated oils in processed foods, then the AFGC and its members would consider other options.

Voluntary reformulation

The current voluntary Healthy Food Partnership could be a pathway for this initiative to engage with retail and out-of-home food sectors. In this way, only those who use and produce partially hydrogenated oils in the product would be affected.

The AFGC supports the comment that prohibition of partially hydrogenated oil would be easier to enforce than option 3 (regulatory limits) as enforcement activities can be based on the statement of ingredients if minor changes to labelling regulations are made to require the degree of hydrogenation of fat to be declared. P4-5.

Q17 Do you have any other comments on this document?

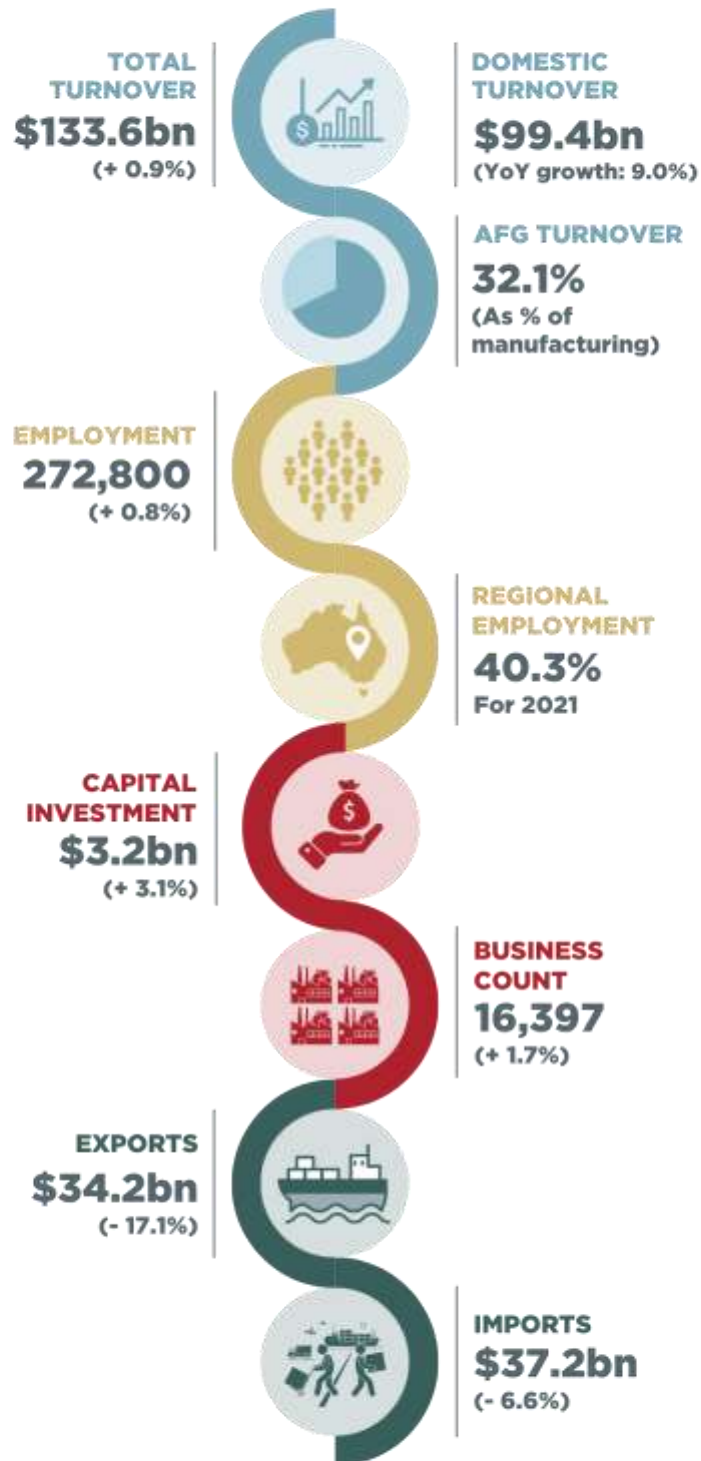
The AFGC wishes to reiterate concern that reducing the trans fat of foods is technically possible but may result in an increase in the saturated fat content through the use of alternatives that are compositionally high in saturated fat but virtually trans fat-free.

The food items that are listed of concern are based on population consumption survey data that is outdated so the need for up-to-date data is critical to understand if the situation has changed.

A guide to the industry on how to transition from the use of trans fat-containing ingredients and partially hydrogenated oils to healthier alternatives with better compositional nutrient profiles would be very helpful.

State of Industry 2020-21

AUSTRALIAN FOOD & GROCERY COUNCIL



The figures on this page exclude the fresh food sector and are based on 2020-21 ABS data.

1: This is total number of employees, head count basis and does not include seasonal employees.

2: Gross fixed capital formation for food, beverage and tobacco manufacturing subsector is taken as indicator of capital investment.