Term Paper US and Canadian Food Labelling: A Comparison

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I. INTRODUCTION

This paper stems from the question: "How far away are Canada and the United States, two countries so close in proximity, from harmonizing their Food Regulations?"

Nutrition labelling in Canada was introduced on January 1st, 2003 and was made mandatory on December 12th, 2005.¹ This brought Canada closer to harmonizing label requirements with the US. Although Canadian labelling regulations are now similar to those of the US it still remains a small challenge when exporting food products. Recognizing the slight differences are critical when determining if the food product will be permitted to travel over the border or not. Food products exported from Canada to the US must comply with the US food regulations and food products exported from the US to Canada must comply with Canadian food regulations. It is necessary to appreciate these similarities and differences to continue trade relationships between the two neighbouring countries.

This paper will focus on comparing US and Canadian label requirements. Section III will compare Nutritional Facts Panels between the US and Canada. Section IV will set apart the differences in the health claims allowed in either country. Section V will provide insight into differences in the standard of identity in the United States and Canada. Overall, this paper will display a brief comparison of the labelling requirements necessary for import into the US and Canadian markets.

II. LEGISLATION

Through the Food and Drugs Act (FDA), the Consumer Packaging and Labelling Act (CPLA), and the Competition Act (CA), Health Canada and the Canadian Food Inspection Agency (CFIA) are responsible for the regulation of labelling in Canada.² In the US, the Food and Drug Administration (FDA) regulates the labelling of most food products under the Federal Food Drug and Cosmetic Act (FD&C Act) and the Fair Packaging and Labelling Act.³ The Nutritional Labelling and Education Act (NLEA) address the nutritional labelling of food products in the US.

Both Canada and the US provide Labelling Guides for manufacturers and importers to minimize the confusion about the laws and regulations surrounding labelling issues.

- The US Food Labelling guide can be found at <u>http://www.cfsan.fda.gov/~dms/flg-toc.html</u>
- The CFIA's Guide to Food Labelling and Advertising can be accessed at http://www.inspection.gc.ca/english/fssa/labeti/guide/toce.shtml

¹ <u>http://www.hc-sc.gc.ca/fn-an/label-etiquet/nutrition/index_e.html</u>

² http://www.hc-sc.gc.ca/fn-an/label-etiquet/index_e.html and

http://www.inspection.gc.ca/english/fssa/labeti/guide/ch1e.shtml

³ See "Why a food labelling guide" at <u>http://www.cfsan.fda.gov/~dms/flg-toc.html</u>

III. NUTRITIONAL FACTS PANEL

Both the US and Canada require Nutritional Facts Panels on all pre-packaged food products. Although the two Nutritional Facts Panels appear to be the same, there are significant differences that set the two apart. In order to sell pre-packaged foods across the border manufacturers must reformat the Nutritional Facts panel to comply with the respective country's label regulations.⁴

- The standard format for Canadian Nutrition Facts panel can be found on the Health Canada website <u>http://www.hc-sc.gc.ca/ahc-asc/media/nr-</u> <u>cp/2003/2003_01bk1_e.html</u> and <u>http://www.hc-sc.gc.ca/fn-an/label-</u> <u>etiquet/nutrition/interactive/inl_main_e.html</u>
- That standard format for the US Nutrition Facts panel can be found on the US FDA website http://www.cfsan.fda.gov/~dms/foodlab.html#see6

In Canada, all information on the label must be displayed in both official languages, English and French (B.01.012, B01.054).⁵ If the product is marketed in the province of Quebec, all information on the package must be in French. An English translation may be included so long as the French is given equal or greater prominence.

The labelling of trans fat is different between the US and Canada. In Canada the percent daily value for saturated and trans fat is represented by the combination of both fats since both have a negative effect on blood cholesterol levels.⁶ In the US the amount of saturated fat is the only value used to calculate the daily value. The daily value amount for trans fat does not need to be declared on the label.⁷

The serving size that must be declared on the US nutrition facts table is a standard that is set out for certain common foods and is referenced in the Code of Federal Regulations (CFR). The list of "reference amounts customarily consumed" can be found at CFR 21 101.12. It is also required that the label show the number of servings that is contained in the entire package.⁸ In Canada, the serving size is also as per reference amount set out in the Food and Drugs Regulations (FDR). The FDR Section B.01.001 sets out these reference amounts for pre-packaged foods.⁹

Generally, the Nutrition Facts table require the same core list of nutrients to be listed. However, there are a few differences. In the US the mandatory nutrients are total calories, calories from fat, total fat, saturated fat, cholesterol, sodium, total carbohydrate, dietary fiber, sugars, protein, vitamin A, vitamin C, calcium, and iron.¹⁰ In Canada they are calories (energy value), fat, saturated fat, trans fat, cholesterol, sodium, carbohydrate, fibre, sugars, protein,

0e.shtml#5-4

⁴ See Section 5.3 "The U.S. "Nutrition Facts" Information at

http://www.inspection.gc.ca/english/bureau/labeti/guide/5-0-0e.shtml#5-3

⁵ See "Bilingual Requirements" at <u>http://www.inspection.gc.ca/english/fssa/labeti/guide/ch2e.shtml#2.4</u>

⁶ <u>http://www.hc-sc.gc.ca/fn-an/label-etiquet/nutrition/interactive/core_nutrients-principaux_nutriments_e.html</u>

⁷ http://www.cfsan.fda.gov/~dms/transfat.html

⁸ <u>http://www.cfsan.fda.gov/~dms/foodlab.html#see1</u>

⁹ See Section 5.6.1 "Reference Amounts" at <u>http://www.inspection.gc.ca/english/bureau/labeti/guide/5-0-</u>

¹⁰ <u>http://www.cfsan.fda.gov/~dms/fdnewlab.html</u>

vitamin A, vitamin C, calcium, and iron.¹¹ Also, the names of the core nutrients differ slightly. In Canada the terms "Fat", "Carbohydrate", and "Fiber" are permitted on the label whereas in the US "Total Fat", "Total Carbohydrate", and "Dietary Fiber" are required descriptors. In the US, a declaration of "Calories from Fat" is required on the Nutrition Facts panel by the FDA. This amount is listed on the same line next to the Calories value.¹² In Canada, this amount is not required to be on the label but is optional. Instead, the Energy amount is required to be expressed in both Calories and kilojoules.¹³

The percent of Daily Value must be declared on both labels. On the US label the nutrition panel carries a footnote stating that the percent daily value is based on a 2000 calorie diet.¹⁴ An optional footnote is permitted stating the number of calories per gram of fat, carbohydrate, and fiber.¹⁵ The Daily Value for vitamins and minerals must be stated as a percentage of Recommended Daily Intake (RDI). If the % RDI value is less than 5, then no claims can be made relating to the particular vitamin or mineral.¹⁶

Rounding rules also differ between the two countries. In the US the FDA sets out the rounding rules on their website.¹⁷ In Canada the CFIA summarizes the rounding rules set out in Section B.01.401 of the FDR on their website.¹⁸ Some major differences include the rounding of fat value. In the US an amount of 0.5g or less can be expressed as "0" (this also applies to the majority of the required nutrients). Canada has stricter regulations, requiring that the fat be rounded to the nearest "0.1g". This rule also applies to most of the other core nutrients. It is always prudent to refer to the rounding rules of the destination country.

IV. HEALTH CLAIMS AND NUTRIENT CONTENT CLAIMS

A. Health Claims

The definition of a health claim is generally similar for both Canada and the US. It is a statement that is used to "describe relationship between a food, food component, or dietary supplement ingredient, and reducing risk of a disease or health-related condition."¹⁹ Canada has tried to align with the US with the permitted health claims in Canada. Currently, only five types of health claims are allowed in Canada which are shared with the US:²⁰

- A diet low in sodium and high in potassium, and the reduction of risk of hypertension.
- A diet adequate in calcium and vitamin D, and the reduction of risk of osteoporosis.

http://www.inspection.gc.ca/english/fssa/labeti/nutricon/nutriconapp3e.shtml

²⁰ See "Diet-Related Health Claims" at http://www.stat-

¹¹ http://www.hc-sc.gc.ca/fn-an/label-etiquet/nutrition/interactive/core nutrients-principaux nutriments e.html ¹² http://www.fda.gov/opacom/backgrounders/foodlabel/newlabel.html

¹³ http://www.inspection.gc.ca/english/bureau/labeti/guide/5-0-0e.shtml#5-4

¹⁴ http://www.fda.gov/opacom/backgrounders/foodlabel/newlabel.html

¹⁵ http://www.cfsan.fda.gov/~dms/fdnewlab.html

 ¹⁶ <u>http://www.inspection.gc.ca/english/bureau/labeti/guide/5-0-0e.shtml#5-5-1</u>
¹⁷ See "Attachment 7: Rounding Rules for Declaring Nutrients" at <u>http://www.cfsan.fda.gov/~dms/nutrguid.html</u> ¹⁸ See "Appendix 3: Rounding Core Information – Nutrition Facts Table" at

¹⁹ See Section I: Health Claims at http://www.cfsan.fda.gov/~dms/hclaims.html

usa.gov/agworld.nsf/505c55d16b88351a852567010058449b/d97f6f08b989eb2e85256fb3007398b7/\$FILE/CA5007. PDF

- A diet low in saturated fat and trans fat, and the reduction of risk of heart disease.
- A diet rich in vegetables and fruit, and the reduction of risk of some types of cancer.
- Minimal fermentable carbohydrates in gum, hard candy or breath-freshening products, and the reduction of dental caries.

In the US Health Claims do not have as many restrictions as Canada. The US health claims are the same as those in Canada but also include an additional 7 more claims which are allowed:²¹

- Dietary fat and cancer
- Fiber-containing grain products, fruits, and vegetables, and cancer
- Folate and neural tube defects
- Soluble fiber from certain foods and risk of coronary heart disease
- Soy protein and risk of coronary heart disease
- Plant sterol/stanol esters and risk of coronary heart disease

B. Nutrient Content Claims

According to the CFIA website, a nutrient content claim is any statement or expression which describes, directly or indirectly, the level of nutrient(s) in a food or group of foods.²² There are 47 nutrient content claims are permitted in Canada.²³ These restricted claims are set out in a table following section B01.513 in the FDR. Although Canada's goal is to harmonize with the US there are still some significant differences. The US have a set of basic terms that can be used as descriptors for the nutrient content. They are light/lite, reduced/added, more/less, lean, extra lean, high potency, high/rich in/excellent source of, good source of/contains/provides, more/added/extra/plus, modified, any fibre claim.²⁴

V. STANDARD OF IDENTITY

The need for a standard of identity is a result of the demand by consumers to be better informed of the nutrition content and value of the foods they choose. The US and Canada have not harmonized their food standards. In the US the standards for general foods are set out in 21 CFR 131 through 169. In Canada, the common name of a food is prescribed by the FDA and listed in the FDR, Part B. Food marketed under a common name must conform to the established compositional standard. Differences in standard of identity will prevent food product from travelling across the border.

Some things to look out for are dairy products. Standard of identity may differ depending on the milk fat content of certain products like heavy cream or cream cheese. There are also certain colours additives that are allowed in the US that are not allowed in Canada. Certain

- ²³ See "Nutrient Content Claims" at http://www.stat-
- usa.gov/agworld.nsf/505c55d16b88351a852567010058449b/d97f6f08b989eb2e85256fb3007398b7/\$FILE/CA5007. PDF

http://www.cfsan.fda.gov/~dms/flg-6c.html
http://www.inspection.gc.ca/english/bureau/labeti/guide/6-0-0e.shtml#6-1-1

²⁴ http://www.cfsan.fda.gov/~dms/flg-6b.html

approved colour additives may be permitted in some products and not allowed in others. For example, caramel colour in meat products is allowed in the US but is prevented from being added to meat in Canada because it is thought to be misleading about the quality of the meat. Certain additives may not be permitted Canadian food products that are allowed in US food products. Even if the additives are permitted into the Canadian products the amount of additive allowed may differ depending on the product.

VI. CONCLUSION

The labelling requirements for pre-packaged food products in the United States and Canada although appear to be similar, are significantly different to accommodate for the respective country's need for informing the consumer. In order to supply the pre-packaged foods market across the border it is necessary to understand the rules that apply. It will always be necessary to re-evaluate the regulations and requirements for label and claims made for food products that are exported to Canada from the US or from the US to Canada to ensure that they are in compliance with the respective countries' laws.

The ultimate goal for the two countries is to harmonize food laws and regulations in order to ease trade across the border. Some of the hurdles that must be overcome are issues such as varying health concerns, bilingual requirements, and difference in units of measurements. Until then both Canada and the US must continue to comply with respective countries' regulations.