

## THE LAW

# Shopping in the dark

## Meaningless labels feed confusion.

Consumers could see changes to the way food is labelled with parliamentarians heeding community concerns and calling for action to improve the information on packets, cans and lids of processed food products.

Two private senators' bills currently before federal parliament take steps towards more informative food labelling. One calls for the clear identification of any amount of genetically modified material in foods, while the other seeks to provide more accurate labelling of palm oil.

Community concern about the inadequacy of food labelling has also been debated in the House of Representatives following a private member's motion by Amanda Rishworth (Kingston, SA).

Ms Rishworth said the community is concerned about labelling of the origin of food, the nutritional value of food and food production methods including the use of food technologies.

"Consumers want to buy Australian food not only to support Australian farmers, although this is often a big motivation, but for health and safety reasons," she said.

"Consumers have confidence in Australian farming practices, including things such as the chemicals used and the type of environment the food is grown in. But they are not equally confident about the standards and

environment for growing food in other countries."

Ms Rishworth said she has heard that some foods labelled as "made from Australian and imported ingredients" may actually contain up to 95 per cent imported ingredients.

She said consumers are also confused about claims on food products such as 'natural', 'pure', 'fresh', and 'free range'.

"For many of these descriptors there is no definition or guidelines for use within the Food Standards Code, effectively making these terms meaningless."

Co-sponsor of both Senate bills, Senator Nick Xenophon has slammed Australia's current labelling requirements as "one of the weakest food labelling regimes in the world".

He said consumers have a right to know what they are eating but are "shopping in the dark".

Speaking on the Food Standards Amendment (Truth in Labelling – Genetically Modified Material) Bill 2010, Senator Xenophon said consumers are increasingly concerned about what is in their food and what they are feeding their families.

According to the bill's other sponsor, Senator Rachel Siewert, up to 70 per cent of processed food contains GM ingredients but almost none is legally required to be labelled.

This bill, the senators said, will require any amount of GM material to be clearly labelled.

"Under the bill, Food Standards Australia New Zealand will be required to introduce a standard for the labelling of genetically modified material, irrespective of the amount or how it came to be present," Senator Xenophon said.

"It also requires Food Standards Australia New Zealand to establish due diligence guidelines for products which claim to be GM-free. This will ensure that products which claim to be GM-free, whether it's by way of using it in their labelling or by not having any labelling, will be required to provide evidence of their claim," he said.

Senator Siewert said the full extent of the impact of GM on human and environmental health is not fully known and therefore precaution should be exercised.

## **"What's being hidden from us is potentially impacting our health."**

"For the environment, genetically modified organisms (GMOs) can have a devastating and irreversible effect. GMOs are capable of escaping and potentially introduce the engineered genes into wild populations. The impact from season to season of GM is also unquantifiable with the GMO gene persisting after the GMO has been harvested. That means it is not as simple as having a GM crop one year and then being able to revert to non-GM crops the following year," Senator Siewert said.

"For human health, there are three main issues which arise with the use of GMOs. Allergenicity or allergic reactions; gene transfer, for example if antibiotic resistant genes used in creating GMOs were to be transferred to the body; and outcrossing, which is the movement of genes from GM plants into conventional crops or related species in the wild," she said.

"There are no long term studies on the impact of GM on human health."

Speaking on the Food Standards Amendment (Truth in Labelling – Palm Oil) Bill 2010, Senator Xenophon said the current laws allow manufacturers to "disguise" palm oil as vegetable oil.

**Some foods labelled as "made from Australian and imported ingredients" may actually contain up to 95 per cent imported ingredients.**

## THE LAW

**SHOPPING DAZE:** Labels are inadequate and misleading for consumers. Photo: Thinkstock



Senator Xenophon said not only is palm oil high in saturated fats, which increases the risk of heart disease, but unsustainable harvesting practices may lead to the extinction of orang-utans in the wild in less than 10 years.

“In South East Asia alone, the equivalent of 300 soccer fields is deforested every hour for palm oil plantations and each year more than 1,000 orang-utans die as a result of land clearing in this region. There’s no question the current labelling laws are inadequate and misleading consumers,” Senator Xenophon said.

“When you’re shopping for your weekly groceries at the supermarket and you turn over the packet to read the ingredients of a bag of chips, a block of chocolate or a box of biscuits, you’d expect that ‘what you see is what you get’.

“But believe it or not, that’s not always the case.

“And what’s being hidden from us is potentially impacting our health and is destroying the environment.”

### **“It goes to the health of our nation’s children.”**

He said palm oil can be found in approximately 40 per cent of food products in the supermarket and every year the average Australian consumes around 10 kilograms of palm oil “without even knowing it”.

In the House of Representatives, Judi Moylan (Pearce, WA) said she has been contacted by many constituents concerned about the misleading labelling of palm oil.

“The palm oil controversy reinforces my long held belief that consumers should be empowered with clear information so they can make an informed choice about both

the content of their food and its production origins,” Mrs Moylan said.

“Increasing concern not only about sustainable practices but also, even more importantly, about the health and viability of the food industry and Australia’s food security makes addressing food labelling an extremely important issue. It goes to the health of our nation’s children as well as to all who consume food. So it is a critical issue.”

The two private senators’ bills have been referred to the Senate Community Affairs Legislation Committee which is due to report in June this year.

In addition, the federal government is considering its response to a report by an independent panel into food labelling law and policy. Parliamentary Secretary for Health and Ageing, Catherine King said the report’s 61 recommendations need to be carefully assessed, with a government response due in December. ●

## THE LAW

## NUCLEAR

## Review right on radioactive waste site

### Selection process amended.

The process for selecting the site of a national radioactive waste facility will include a right of review under legislation passed by the House of Representatives.

The House accepted its Climate Change Committee's recommendation that the National Radioactive Waste Management Bill 2010 pass unamended, after Senate recommendations around community consultation were incorporated into the bill.

The bill repeals and replaces the Commonwealth Radioactive Waste Management Act 2005, which excluded any right of review or procedural fairness in the nomination or final selection of a site by the relevant minister.

The new bill requires the minister to apply procedural fairness in dealing with nominations and selecting a site, and allows an 'aggrieved person' to seek a judicial review if the minister makes an error of law during the process.

A regional consultative committee will be established following the selection of the site, to communicate with local communities and address concerns as the project moves through construction to operation.

Federal Minister for Resources and Energy Martin Ferguson said the changes would ensure Australia is able to safely and responsibly dispose of radioactive material, while meeting high standards of accountability in the selection of a site.

"Under the bill, no site can be considered as a potential location for a facility without the voluntary nomination and agreement from persons with the relevant rights and interests," Mr Ferguson said. •

## COMPETITION

## In perfect rhythm

### Banking harmony impacts competition.

What do Australia's big banks and the Beatles have in common? Quite a bit, according to Bruce Billson (Dunkley, Vic) who made the comparison between the pop stars and the big four to illustrate the need for price signalling laws in Australia.

"Like the lads from Liverpool, our banks are fabulously successful, globally significant and likely to touch the lives of most of us in some way," Mr Billson told the House of Representatives.

"Just like each of the four Beatles, any one of the four banks can lead with the lyrics. For a live performance, the band members recognise the cue or opening note, know the tunes spontaneously and quickly catch on to play with perfect tempo and rhythm and sing with marvellous harmony, particularly for the chorus."

But while this kind of performance is remarkable for a Beatles concert, he said it is untenable between competitors in a market economy and will be made unlawful under the Competition and Consumer (Price Signalling) Amendment Bill 2010.

"Concert performance in an entertainment context for the joy of audiences becomes concerted practice in the economy to the detriment of consumers and workably competitive markets." •

The private member's bill is aimed at addressing deficient competition laws, and will establish a new head of power within the Australian Competition and Consumer Commission (ACCC) to investigate and seek penalties for price signalling.

The bill is currently being considered by the House of Representatives Economics Committee. Mr Billson said the ACCC has made repeated calls for the parliament to address this gap in the competition law toolkit.

"This conduct is unilateral and therefore cannot be dealt with under existing price-fixing prohibitions, where an understanding to exchange information that has the purpose, effect or likely effect of fixing, maintaining or controlling prices is required.

"Importantly, the bill also recognises that some communication of price related information can at times be pro-competitive and beneficial for consumers. The ability to compare prices, to be aware of discounting or to be readily able to undertake market research to support purchasing decisions and to compare rival offers, all of this is preserved by the provisions of this bill and protected because they are advantageous to consumers and are not anticompetitive," Mr Billson said.

He called on the government to support the bill in the interest of consumers. •



FROM THE SAME SONGSHEET: New bill aims to combat price signalling. Photo: Thinkstock



**WARNING SIGN:** *Parliament gets tougher on tobacco. Photo: Thinkstock*

## ADVERTISING

# Net ban on tobacco promotion

## New measures to combat smoking.

**A** bill to tackle one of the leading causes of preventable death and disease in Australia has won the full support of MPs united by a desire to reduce the health burden associated with cigarette smoking.

The Tobacco Advertising Prohibition Amendment Bill 2010 will make it an offence to advertise tobacco products on the internet and in other electronic media such as mobile phones and computers, unless the advertising complies with state, territory or Commonwealth regulations.

Cigarettes are currently heavily promoted on the internet, which is largely unregulated, and very few websites advertising tobacco contain even the most basic health warning.

Speaking in support of the bill, Craig Thomson (Dobell, NSW) described tobacco advertising on a video sharing website as prolific and accessible, frequently associating smoking with glamorous and alternative lifestyles and with images of attractive young males and females.

“Only 11 per cent of the sites examined contained health warnings,” Mr Thomson told the House.

“Our internet legislation will mean that online sales, advertising and promotion of tobacco will now be subject to the same kinds of restrictions that are placed on over-the-counter sales,” he said.

“Together with our efforts to mandate plain packaging of tobacco products from 2012, Australia is on track to have the world’s toughest measures against tobacco.”

Since advertising bans were introduced in the mid-1970s, the number of smokers has steadily declined, yet more than 3 million Australians still smoke. The highest rates of smoking are found among younger Australians, especially those aged between 24 and 29, the Indigenous population, and people on low incomes.

He said tobacco related disease kills around 15,000 Australians a year and is estimated to cost the economy 31 billion dollars a year.

Advertising, he said, is partly to blame.

“It has been proven through much research and by way of a range of studies and gathering of facts and figures that tobacco advertising does encourage people to smoke, especially younger Australians.

“Therefore, we must do everything we can to limit the opportunities tobacco marketers have to increase the sales of their products through the new media, mainly via the internet, on social networking sites, and through personal communication devices such as mobile phones.”

Outlining the opposition’s support for the bill, Andrew Southcott (Boothby, SA) said it is important to focus on preventative health.

“Approximately a third of Australia’s burden of disease is attributable to modifiable risk factors, and tobacco smoking is one of the leading causes of preventable chronic disease amongst Australians,”

Dr Southcott said.

“The National Preventative Health Taskforce identified that tobacco is currently the single biggest preventable cause of death and disease in Australia. Over 3 million people – that is, approximately 18 per cent of Australians aged 14 years and over – still smoke, with 2.9 million people smoking on a daily basis. About half of these smokers who smoke for prolonged periods will die early.”

Dr Southcott said almost one in five pregnant women report smoking during pregnancy, including 42 per cent of teenagers and 54 per cent of Indigenous women, with long-lasting and far-reaching effects on their offspring.

“This legislation makes it an offence to advertise tobacco products on the internet and in other electronic media. By restricting internet advertising of tobacco products in Australia, this goes some way to targeting smoking and its harmful effects.”

The federal government has set a target of reducing the national smoking rate to just 10 per cent of the population by 2018, and said this bill follows a 25 per cent excise increase announced in April last year, record investment in anti-smoking social marketing campaigns, and legislation to mandate plain packaging of tobacco products. ●