



Australian Government

Department of Health

SENATE INQUIRY INTO THIRD PARTY CERTIFICATION OF FOOD

Submission to the Senate Economics References Committee

DEPARTMENT OF HEALTH

July 2015

1. Terms of Reference

On 13 May 2015, the Senate referred the following matters to the Economics References Committee for inquiry and report by 30 November 2015:

- a. the extent of food certification schemes and certifiers in Australia including, but not limited to, schemes related to organic, kosher, halal and genetically-modified food and general food safety certification schemes;
- b. current labelling requirements of food certification schemes;
- c. the need for labelling on products produced by companies that pay certification fees;
- d. whether current schemes provide enough information for Australian consumers to make informed purchasing decisions;
- e. details regarding certification fees paid by food producers and/or manufacturers, and the potential for these to impact on prices for consumers;
- f. the importance of food certification schemes in relation to export market access and returns to producers;
- g. the extent and adequacy of information available to the public about certifiers including, but not limited to, certification processes, fees and financial records; and any related matters.

2. Overview of Food Regulation System

Australia's food regulation system is a cooperative bi-national arrangement involving Australia and New Zealand. In Australia, responsibility for the food regulatory system occurs at all levels – Commonwealth, State, Territory and local governments.

The Department of Health has a joint role in the development of government policy for the food regulatory system, in partnership with the state, territory and New Zealand governments.

Collectively, the food regulatory system aims to:

- protect the health and safety of consumers by reducing risks related to food;
- enable consumers to make informed choices about food by ensuring that they have sufficient information and by preventing them from being misled;
- support public health objectives by promoting healthy food choices, maintaining and enhancing the nutritional qualities of food and responding to specific public health issues; and
- enable the existence of a strong, sustainable food industry to assist in achieving a diverse, affordable food supply and also for the general economic benefit of Australia and New Zealand.

For further information, the Overarching Strategic Statement for the Food Regulatory System can be found at

<https://www.health.gov.au/internet/main/publishing.nsf/Content/DEF96CFD9D210D21CA25>

[7BF0001A3596/\\$File/FoFR%20-%20Overarching%20Strategic%20Statement-accessible2.pdf](#)

The food regulation system is overseen by the Australia and New Zealand Ministerial Forum on Food Regulation (the Forum) which has ministerial representatives from all Australian Governments (Commonwealth and states and territories) and the New Zealand Government.

The Forum has responsibility for:

- the development of domestic food regulation policy;
- the development of policy guidelines for setting domestic food standards;
- the promotion of harmonised food standards within Australia and with Codex Alimentarius (domestic and export standards with international food standards set by Codex Alimentarius);
- the general oversight of the implementation of domestic food regulation and standards; and
- the promotion of a consistent approach to the compliance with, and enforcement of, food standards.

Food regulation authorities in Australia and New Zealand work together to ensure food regulations are implemented and enforced consistently. This work is done through the Implementation Subcommittee for Food Regulation (ISFR).

Food Standards Australia New Zealand (FSANZ) is an independent statutory authority responsible for the development and maintenance of food standards in the *Australia New Zealand Food Standards Code* (the Code). All food produced or manufactured in, or imported into, Australia must comply with requirements in the Code.

The Code sets out requirements for food in four chapters:

1. General food standards
2. Food product standards
3. Food Safety standards (Australia only)
4. Primary production standards (Australia only)

The general foods standards chapter incorporates labelling standards in Australia and New Zealand. Labelling standards include requirements for genetically modified food, food safety and nutrition, health and related claims (including health related endorsements).

The Code can be found at <http://www.foodstandards.gov.au/code/Pages/default.aspx>

In addition to standards in the Code, guidance materials that are not legislated, but assist manufacturers, retailers and food officers interpret and apply the Code are also made available by FSANZ (<http://www.foodstandards.gov.au/code/userguide/Pages/default.aspx>) the Implementation Subcommittee for Food Regulation (<http://www.health.gov.au/internet/main/publishing.nsf/Content/foodsecretariat-isc-publications.htm>), and individual state and territory enforcement agencies.

In Australia, enforcement of food standards is the responsibility of state and territory enforcement agencies and the Department of Agriculture for imported food.

The food regulatory system has a role in preventing misleading conduct in relation to information presented on food. In order for this to occur there are close linkages between the food regulatory system and the Australian Competition and Consumer Commission (ACCC), New Zealand Commerce Commission (NZCC), and State and Territory fair trading bodies.

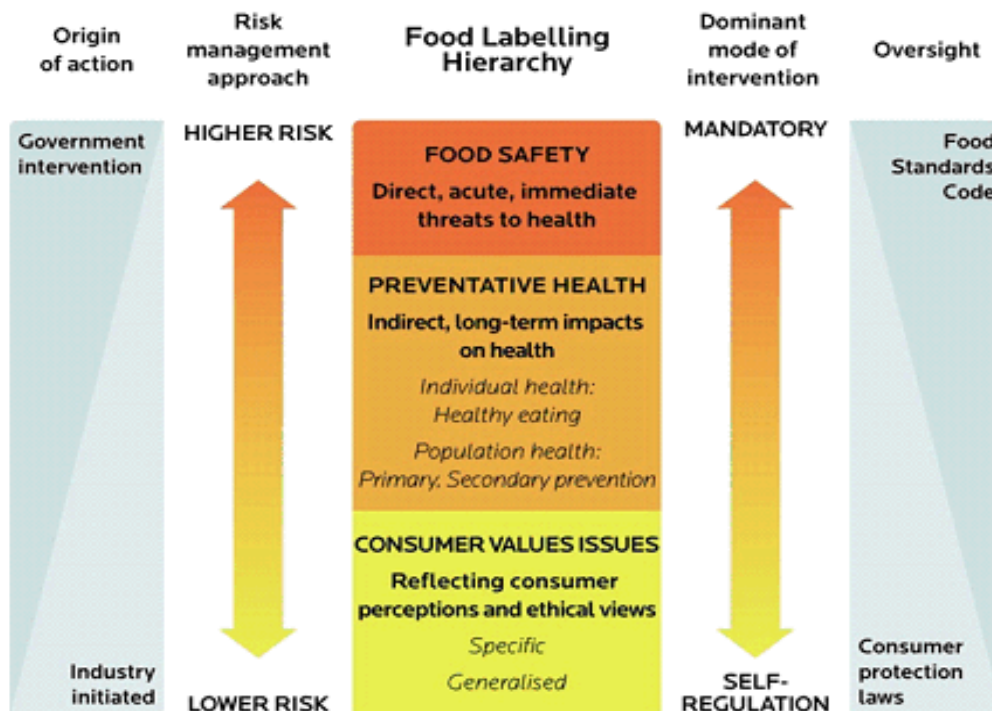
3. Food Policy Labelling Review

In 2009 a review of food labelling law and policy was undertaken by an independent panel chaired by Dr Neil Blewett. On 28 January 2011 the review panel presented its report, *Labelling Logic: Review of Food Labelling Law and Policy 2011 (Labelling Logic)* to the then Australia New Zealand Food Regulation Ministerial Council (Ministerial Council) now the Australia and New Zealand Ministerial Forum on Food Regulation (the Forum). The final report contained 61 recommendations and is available at

[http://www.foodlabellingreview.gov.au/internet/foodlabelling/publishing.nsf/content/48C0548D80E715BCCA257825001E5DC0/\\$File/Labelling%20Logic_2011.pdf](http://www.foodlabellingreview.gov.au/internet/foodlabelling/publishing.nsf/content/48C0548D80E715BCCA257825001E5DC0/$File/Labelling%20Logic_2011.pdf)

As a part of their response to *Labelling Logic* the Forum agreed to a conceptual framework for food labelling policy to be guided by a three tier issues hierarchy (see below). The full response can be found at

[http://www.foodlabellingreview.gov.au/internet/foodlabelling/publishing.nsf/content/ADC308D3982EBB24CA2576D20078EB41/\\$File/FoFR%20response%20to%20the%20Food%20Labelling%20Law%20and%20Policy%20Review%209%20December%202011.pdf](http://www.foodlabellingreview.gov.au/internet/foodlabelling/publishing.nsf/content/ADC308D3982EBB24CA2576D20078EB41/$File/FoFR%20response%20to%20the%20Food%20Labelling%20Law%20and%20Policy%20Review%209%20December%202011.pdf)



This Framework recognises that labelling for food safety should be the highest priority, followed by labelling for preventative health. These areas will generally be regulated in food standards due to the higher risk in these areas.

Additionally the framework identifies that labelling in relation to consumer value issues (such as the welfare of animals, religious beliefs, environmental issues, human rights and methods of production), should generally be initiated by industry response to consumer demand, with the possibility of some specific methods or processes of production being referenced in regulation, where this is justified, such as in the case of market failure to respond (e.g. for Country of Origin Labelling, Genetically Modified foods and irradiated foods). Usually, any regulatory action would be under consumer protection law rather than food regulation.

Therefore labelling of food in relation to consumer value issues in most cases can be provided by the food industry on a voluntary basis if they choose as long as the information is not false, misleading or deceptive under consumer and fair trading laws.