



Senator Glenn Sterle

28 July 2014

Chair

Senate Standing Committees on Rural and Regional Affairs and Transport -
Requirements for labelling of seafood and seafood products

C/- rrat.sen@aph.gov.au

Dear Chair

Re: Submission to the Senate Standing Committees on Rural and Regional Affairs and Transport - Current requirements for labelling of seafood and seafood products by the Australian Barramundi Farmers Association (ABFA)

The ABFA is the peak body that represents the interests of the majority (by number and volume) of the commercial production of Australian farmed *Lates calcarifer*, referred to in Australia as Barramundi.

The industry is an advocate for increasing seafood consumption in Australia and truth in labelling. ABFA does not seek to limit the import of seafood, just to ensure that there is effective labelling so that consumers, including diners in any venue, can make informed decisions regarding their meal choices.

In 2006, when the Australian New Zealand Food Standards Code was amended to require all seafood be labelled by Origin to the point of sale, it excluded the food service sector. This lets dining consumers down by denying them this information. We seek to have the current system extended to include the food service sector.

We believe the ideal situation is for the current Country of Origin Labelling (CoOL) legislation to be extended throughout the supply chain, including dining outlets, which would include seafood sold for immediate consumption.

The issue of CoOL and its misuse, by omission, is of particular concern to the ABFA, the Australian fishing and seafood industry, and most importantly consumers generally. This issue is compounded when it involves our Iconic species, such as Barramundi.

This extension of existing legislation will ensure consumers at all purchase points within the supply chain have the correct information to allow them to make an informed choice, based on a range of considerations such as; provenance, traceability/chain of custody, preferred level of industry support, labour laws, production standards, sustainability, etc. This cannot be done now under the existing regulatory framework.

To provide some supporting information in relation to the impacts non-labelling of seafood has, recent research undertaken by the ABFA, with the support of the Seafood Collaborative Research Centre (CRC), identified the following;

- Australians consume about 20,000 tonnes of Barramundi each year, but only around 40% is Australian product, (farmed 33% and wild caught 7%), with the balance imported.
- The name Barramundi has an iconic status in its relationship to Australia, including

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Indigenous Australians, recreational fishers and, importantly, consumers.

- To Australians, barramundi means Australian, and when purchasing it they believe it is an Australian product and are prepared pay a premium over imported cheaper fish. Without labelling, by omission, people are assuming they are buying Australian fish. A recent Omnibus survey show that 90% of those surveyed directly relate the name barramundi to Australian fish and only 3% identified another country as the source of this fish.

Other research has shown that;

- In the Northern Territory (since 2008), where labelling laws apply to the food service sector, when serving seafood, restaurants are charging a little more for Australian product (often serving Australian and imported, but identifying a price differential). People are now more aware of the labelling requirements and it is well supported and greatly influences consumer choice.
- In the NT it showed that the cost of complying with the seafood labelling laws was not significant, there was a high level of compliance, it happened very quickly and it assisted consumers in making informed choice. If the costs of change were identified as an issue for food service venues, a staged approach to adoption could be put in place (i.e. over 12-months), to align with normal business practices in respect to replacing and updating menus/boards etc.
- Research has shown that Country of Origin is second only to freshness in guiding consumer choices. Therefore, where a cheaper product dominates a higher value end of the market due to a lack of consumer information, it is unacceptable.
- For the Australian public and tourists, seafood is synonymous with the Australian lifestyle and the vast majority of consumers assume that when they purchase seafood when dining, their purchase is a product of Australia. Eating local product is a key aspect of the whole seafood experience and is a key selling point for the tourism industry - lack of labelling is misleading. The recent marketing campaign by Tourism Australia focuses on the link between Australia, our seafood, tourism and dining. Their message is;

'whether your idea of a good meal includes tablecloths and attentive service at a fine dining restaurant, or a take-away package wrapped in newspaper from the local fish and chips shop, the star of the show is the same: Australia's fresh and flavourful seafood. Our island nation has a well-deserved global reputation for fronting up some of the biggest, juiciest and tastiest seafood on the planet, with hundreds of native species to choose from at any given time of the year. As a result, many restaurants can literally supply the 'catch of the day' – fish caught in local waters only hours earlier – much to the delight of local and visiting 'seafoodies' alike'. (see <http://restaurant.australia.com>).

- Australian consumers want to buy Australian, with around 70% saying they prefer Australian to imported seafood (and tourists assume their seafood purchase is Australian product) - without labelling it is not possible for consumers to know. This preference for Australian seafood is for a range of reasons including supporting Australian businesses, environmental, sustainability and labour laws as well as health considerations.
- Locally grown or harvested produce is enjoying growing support by retailers, and

consumers who wish to know the provenance of their food.

- There is significantly higher mark-ups being made on imported seafood without the consumer (and some retailers) being informed - this is misleading behaviour and highlights the need for consumer protections.

The ABFA strongly believes that accurate seafood product labelling that provides information about the country of origin of product, allows consumers and retailers to make informed choices about buying local, or imported products. Failure to do so can lead to questions about the integrity of the local food service industry and could damage the local seafood industry reputation and negatively impact on consumers trust, the food service sector and the tourism industry. Compulsory seafood labelling law will help engender trust from consumers and prevent negative impacts in the food industry.

The ABFA would welcome the opportunity to provide any additional information to the Committee if this was deemed necessary. We recommend that the Committee support changes to the current laws to extend labelling requirements as to origin throughout the supply chain, including for seafood sold for immediate consumption, including dining outlets. We believe the current situation denies consumer choice, impacts on Australian jobs and contributes to the ongoing attrition of Australian businesses involved in producing food for the nation.

Yours sincerely


Chris Calogeras

EO ABFA

Some Relevant References

- Calogeras and Sarneckis. June 2013. Consumer Survey 2013: Awareness of the Northern Territory seafood labelling laws and the commercial seafood industry.
- Calogeras, C., Morgan, S., Sarneckis, K., Cooper, L. And Lee, T. Y. 2011. Tracking the impacts on seafood consumption at dining venues arising from the Northern Territory's seafood labelling laws. Final Report - FRDC Project No. 2009/216
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