



DICK SMITH FOODS PTY LTD

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13 October 2009

The Secretary
Senate Standing Committee on Economics
PO Box 6100
Parliament House
CANBERRA ACT 2600

Dear Secretary

**RE: SUBMISSION TO THE SENATE INQUIRY INTO THE FOODS STANDARDS
AMENDMENT (TRUTH IN LABELLING LAWS) BILL 2009**

We acknowledge that one of the purposes of the Amendment is to provide sufficient information in order to allow the consumer to make an informed decision regarding the origins of the ingredients.

The information is important for the consumer for numerous reasons.

It allows the consumer to consciously support Australian farmers and the Australian food manufacturing industry and gives the consumer reassurance as to food production standards.

The Amendment in its current form fails to do this as it only allows the use of the word "Australian" if the content is 100% Australian. This is simply not practical. In many circumstances there is simply no way of making an entire product 100% Australian. This may be because a particular minor ingredient is not produced in Australia.

Our company, Dick Smith Foods, has based its entire foundation on the slogan, "As Australian as you can get". Put simply, this means that we have endeavoured to use as many Australian ingredients as possible, however in some cases, through absolute necessity, there may be some very minor foreign element due to lack of availability of an alternative. Under the current Amendment, we would not be able to call the product Australian. Whilst this would be the same for other brands of the same product, you must acknowledge that in the absence of there being a 100% Australian content product, the consumer would be best served by being informed of the next best thing, i.e. the product with the highest possible Australian content.

We would therefore suggest that it would be much more relevant to consumers to know the level of Australian content, in the form of a percentage, rather than limiting the use of

the term Australian to 100% Australian content. We believe the label should show the percentage as simply "X% Australian Product".

It is noted that the Amendment singles out juice and juice related drink products for special treatment, specifically that the label should include a percentage total of Australian content. We believe that this should apply to all products. This would give the consumer the ultimate power and knowledge in order to base their purchasing decision.

Whilst we feel that supporting Australian farmers by buying Australian produce is vital to our economy, we also feel that the consumer should be informed as to who is producing the product. The product itself might be Australian, however in many cases it's being produced by a foreign owned company. This means that the profits are repatriated out of Australia. We acknowledge that these foreign companies employ local labour and some use local product, however the profits that flow back overseas do nothing whatsoever for the Australian economy.

Consumers have the right to know where they are sending their dollar. Unfortunately it is becoming increasingly difficult to find food products containing Australian produce that are made by Australian-owned companies. In many cases it's virtually impossible to discern which brand is Australian and which isn't. We feel that the Amendment should be extended to include a percentage of Australian ownership alongside the percentage of Australian ingredients, simply "Y% Australian Owned".

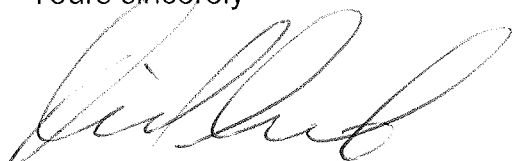
We are also concerned that the product packaging and printing are to be excluded from the calculation of Australian content. Is the Australian packaging and printing industry less worthy of support than Australian farmers? As producers of Australian made and owned products, we go to great lengths to procure Australian packaging where possible. This can be quite difficult due to limitations in Australian manufacturing and is often impossible given particular packaging, as a particular technique involving intellectual property may simply not be available in Australia. Again, this is precisely why we use the slogan "As Australian as you can get". Very few products can be 100 percent Australian, but the consumer has confidence that we have done whatever we can to make our product, including the packaging, with the highest percentage of Australian produce and manufacturing processes as possible.

In summary, we believe the simplest and most informative information would be two simple percentages in a prominent position on the label as follows

X% Australian Product
Y% Australian Owned

We also believe that any calculation of Australian content should include the packaging and label.

Yours sincerely



DICK SMITH
Director