

# Chapter 1

## Introduction

1.1 On 23 June 2014, the Senate referred the following matter to the Senate Rural and Regional Affairs and Transport References Committee (committee) for inquiry and report by 27 October 2014:

The current requirements for labelling of seafood and seafood products, with particular reference to the following matters:

- (a) whether the current requirements provide consumers with sufficient information to make informed choices, including choices based on sustainability and provenance preferences, regarding their purchases;
- (b) whether the current requirements allow for best-practice traceability of product chain-of-custody;
- (c) the regulations in other jurisdictions, with particular reference to the standards in the European Union (EU) under the common market regulation (EU) No 1379/2013 Article 35;
- (d) the need for consistent definitions and use of terms in product labelling, including catch area, species names, production method (including gear category), and taking into account Food and Agriculture Organisation guidelines;
- (e) the need for labelling for cooked or pre-prepared seafood products with reference to the Northern Territory's seafood country of origin regulation;
- (f) recommendations for the provision of consumer information as determined through the Common Language Group process conducted by the Fisheries Research and Development Corporation;
- (g) whether current labelling laws allow domestic seafood producers to compete on even terms with imported seafood products; and
- (h) any related matters.

1.2 On 2 October, the Senate agreed to extend the tabling date for the committee's report to 4 December 2014. On 27 November, the Senate granted a further extension of time, requiring the committee to report by 18 December 2014.

## **Conduct of inquiry**

1.3 The inquiry was advertised in *The Australian* and through the Internet. The committee invited submissions from interested organisations and bodies as well as individuals.

1.4 The committee received 23 public submissions. A list of individuals and organisations that made submissions to the inquiry together with other information authorised for publication is at Appendix 1. The committee held public hearings in Sydney on 29 September and Darwin on 13 November 2014. Details of the public hearings are referred to in Appendix 2. The submissions and Hansard transcript of evidence may be accessed through the committee's website at: [http://www.aph.gov.au/Parliamentary\\_Business/Committees/Senate/Rural\\_and\\_Regional\\_Affairs\\_and\\_Transport](http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Rural_and_Regional_Affairs_and_Transport)

## **Australian seafood industry**

1.5 In 2010–11, Australian fisheries production amounted to \$2.26 billion (including \$1.31 billion wild-harvest and \$0.948 billion aquaculture), with a total harvest of 234,000 tonnes. The value of fisheries exports totalled \$1.2 billion and imports \$1.5 billion.<sup>1</sup>

1.6 Australian fisheries are highly regulated. Managed under the principles of ecological sustainable development, the fisheries are maintained not only for the long-term sustainability of the target species, but also for the sustainability of the broader marine environment. According to the Master Fish Merchants Association of Australia (MFMA), Australian fisheries are internationally recognised as some of the best managed in the world for these reasons.<sup>2</sup> Considerable evidence to the committee upheld the view that the combination of quality, range and sustainability credentials of Australia-produced seafood has enabled it to become highly valued both domestically and overseas.<sup>3</sup>

## **Seafood consumption in Australia**

1.7 Seafood consumption in Australia has doubled since 1975.<sup>4</sup> Evidence to the committee suggested that around 75 per cent of all seafood consumed in Australia now comprises imported fish and fish products.<sup>5</sup> The Australian Fisheries Research and Development Corporation (FRDC) noted that imported seafood typically makes

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1 National Seafood Industry Alliance, *Submission 10*, p. 4.

2 Master Fish Merchants Association of Australia, *Submission 8*, p. 1.

3 Mr Grahame Turk, National Seafood Industry Alliance, *Committee Hansard*, 29 September 2014, p. 48.

4 Greenpeace Australia Pacific, *Submission 6*, p. [1].

5 Australian Fisheries Research and Development Corporation, *Submission 17*, p. 12; Greenpeace Australia Pacific, *Submission 6*, p. [1].

up more than half of the seafood range in the major supermarket chains.<sup>6</sup> This includes some 250 different species/product from both aquaculture and wild catch fisheries.<sup>7</sup> According to MFMA, Australia's dependence on imported product is due to the nature of Australian fisheries which are high quality, high value but low volume due to the lack of major upwellings (nutrient rich currents) and naturally low nutrient levels in the waters which limit productivity.<sup>8</sup> However, with an extensive fishing zone and diverse climatic and marine conditions, Australia produces a wide variety of seafood, both wild caught and farmed.<sup>9</sup>

1.8 Despite Australia's reliance on imported seafood and seafood products, according to research conducted in 2006, around 70 per cent of Australian consumers prefer local seafood to imported seafood.<sup>10</sup> Consumer research findings reveal that country of origin is second only to freshness in guiding consumer choices. According to various sources, research into this area has revealed that Australian consumers want to buy Australian produce with 90 per cent of Australians more likely to buy food products labelled 'Made in Australia'. However, evidence suggested that consumers are unable to readily identify the origin of seafood they buy and may be under the false impression or natural impression that they are consuming Australian seafood when actually consuming imported product.<sup>11</sup>

## **Acknowledgement**

1.9 The committee would to thank the individuals and organisations who contributed to the inquiry.

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6 Australian Fisheries Research and Development Corporation, *Submission 17*, p. 12.

7 Master Fish Merchants Association of Australia, *Submission 8*, p. 1.

8 Master Fish Merchants Association of Australia, *Submission 8*, p. 1.

9 Mr Grahame Turk, National Seafood Industry Alliance, *Committee Hansard*, 29 September 2014, p. 48.

10 Australian Fisheries Research and Development Corporation, *Submission 17*, Attachment 2 – Submission from Common Language Group to FRDC, p. 16.

11 National Seafood Industry Alliance, *Submission 10*, p. 5; Mr Michael Kitchener, Master Fish Merchants' Association of Australia, *Committee Hansard*, 29 September 2014, p. 2.

