Senate Standing Committee for Rural and Regional Affairs and Transport

Meat Marketing Inquiry

Final Report Released 30 June 2009

Response to Recommendations
Australian Government Department of Agriculture, Fisheries and
Forestry

Recommendation 1

The Commonwealth Government negotiates with the states and territories to have the AUS-MEAT system applying to exported meat extended to all domestic processors in Australia.

Response to Recommendation 1

Noted.

The Australian Government's position is that any decision about the national adoption of the AUS-MEAT system in domestic processing establishments (which are overseen by the states and territories) should be by consensus through the Primary Industries Ministerial Council process, or by the initiation of industry.

Legislation requiring the use of the AUS-MEAT language by retailers passed through the New South Wales Parliament on 26 November 2009. However, proclamation was delayed until an industry consultation process could take place. A retail reference group comprising New South Wales Government officials and beef industry representatives was formed to negotiate the contents of the underpinning regulations.

Regulations under the New South Wales legislation came into effect in August 2010 with a moratorium on enforcement to February 2011. The regulations require retailers to label according to the Domestic Retail Beef Register created by AUS-MEAT. If a retail term contained in the register outside of the basic category of 'beef' is used then the label must also contain an age-based descriptor.

The working group on meat marketing was established by the council to examine the national implications of the finalised NSW legislation. The working group found that the national implications of the legislation, in its current form, have not been significant. However, the industry remains concerned about the potential for unfavourable labelling requirements to be introduced in the future given legislation is now in place that enables the prescription of a labelling scheme. The working group also noted that other states and territories do not intend to introduce similar legislation in their jurisdictions.

Recommendation 2

Subject to the current Australia and New Zealand Food Regulation Ministerial Council review into food labelling, the government create separate country of origin labelling regulations for food products that recognise the importance of the origin of ingredients in processed food as well as the place where production processes occurred.

Response to Recommendation 2

Noted.

The current Australia New Zealand Food Regulation Ministerial Council policy guideline on country of origin labelling of food indicates that in developing a new standard for country of origin labelling in the *Food Standards Code*, FSANZ should ensure that: country of origin labelling applies to the whole food, not individual ingredients. Any amendments to this policy guideline would need to be agreed to by the Ministerial Council.

There may be considerable costs to business in complying with a country of origin scheme based on ingoing ingredients. For example, manufacturers may need to maintain several lines of labels so they can be changed depending on the source of the ingredients in certain seasons or market conditions.

The existing 'Made in' provisions in the *Competition and Consumer Act 2010* support the Australian manufacturing sector as a broad range or inputs, including ingredients, packaging, labour and overhead costs, are considered in determining a product's eligibility to bear a 'Made in Australia' claim.

The Council of Australian Governments agreed to the Australia New Zealand Food Regulation Ministerial Council commissioning an independent review of food labelling laws and policy. This review provided for a comprehensive examination of food labelling laws and policies.

The Committee undertaking the review was chaired by Dr Neal Blewett AC. Other committee members were public health law academic Dr Chris Reynolds, economic and consumer behaviour expert Dr Simone Pettigrew, food and nutrition policy academic Associate Professor Heather Yeatman, and food industry communications, marketing and corporate affairs professional Mr Nick Goddard.

Terms of Reference for the review are available at http://www.foodlabellingreview.gov.au/internet/foodlabelling/publishing.nsf/Content/home. Approximately 6 800 submissions were received.

The final report was released on 28 January 2011. Any consideration of amending the current country of origin labelling policy or standard will be undertaken in the context of the Council of Australian Government's consideration of the outcomes from the labelling review.