



30 July 2021

Senator Susan McDonald
Chair
Senate Standing Committees on Rural and Regional Affairs and Transport
PO Box 6100
Parliament House
Canberra ACT 2600
email: rrat.sen@aph.gov.au

Dear Senator,

Re. Definitions of meat and other animal products

The Australian Dairy Industry Council (ADIC), comprising Australian Dairy Farmers (ADF) and Australian Dairy Products Federation (ADPF) – along with technical support from Dairy Australia, welcomes the opportunity to provide a submission into the *Inquiry into Definitions of Meat and other Animal Products*. Of particular interest in the terms of reference is the implications for other Australian animal products impaired from the appropriation of product labelling by manufactured plant-based or synthetic proteins.

As you are aware from the recent *Inquiry into Performance of Australia's dairy industry and the profitability of Australian dairy farmers since deregulation in 2000*, the Australian dairy industry has been actively seeking change to the misuse of dairy terms and images in the marketing and labelling of plant-based alternatives.

Similarly, we participated in Minister Littleproud's Industry Working group that examined current labelling and marketing requirements (including imagery) of plant-based alternatives to meat and dairy products. It was evident there was a clear absence of specific industry guidance for the accurate labelling and marketing of plant-based alternatives to meat and dairy products, to assist consumers with being clearly informed as to the nature, composition and nutritional value of plant-based alternatives. An evidence-based report and recommendations were provided to the Minister in March 2021, with a voluntary framework the preferred approach which included a strict governance framework and early review period to monitor its effectiveness. It is requested that this report be provided by the government as a key input to the inquiry.

We acknowledge the plant-based, meat and dairy sectors all make a significant contribution to the Australian economy. Each sector will play a role in growing the agriculture sector to become a \$100 billion industry by 2030. However, it is inappropriate that one industry can gain an unfair advantage in the marketplace by leveraging another industry's brand, reputation and credentials, which ultimately mislead the consumer of its true nature. The labelling and marketing framework for plant-based alternatives should fairly facilitate the growth of all sectors. It must enable truth in labelling.



While a small number of plant-based products have long co-existed in the marketplace, the last decade has seen a significant increase in the number of plant-based products labelling and marketing themselves as plant-based alternatives to dairy (i.e., those made from soy, nuts, coconut, rice, and pea). Yet there is wide variance as to the functional and/or nutritional substitutability of these products for consumers. These plant-based alternatives have also extended beyond promoting themselves as an alternative to 'milk', into 'yoghurt', 'ice-cream' and 'cheese'. The issue is that most of these plant-based alternatives do not resemble cow's milk from a nutritional perspective and standard of identity designated for 'Dairy Products' as per the *Australian New Zealand Food Standards Code, Primary Production and Processing Standard for Dairy Products*, Standard 4.2.4. Despite this they claim to be 'suitable alternatives to dairy foods'.

Research commissioned by Dairy Australia in 2020 found that 36% of respondents perceived plant-based beverage alternatives to be nutritionally equivalent to dairy milk despite the differences in the nutritional profiles. However, despite being classified as discretionary foods and with little to no nutrients or nutrient fortification, 56% of consumers who purchased plant-based cheese (N = 177) and yoghurt (N = 244) substitutes reported doing so because they believed that they were a healthier option. Furthermore, 49% of respondents cited purchasing plant-based milk alternatives because they perceived them to be healthier than dairy milk.¹ This and other research is outlined in the ministerial report.

Through the FSANZ's consultation on the Fortification of Nut and Seed Beverages (A1104), jurisdictions raised many concerns pertaining to these plant-based beverages. This includes concerns about plant-based alternatives variability in composition, low nutritional value and nutritional equivalence to dairy foods.

Labelling and marketing of plant-based products (promoting themselves as a dairy alternative) with dairy terms, values, images, or comparison nutrition and health claims, implies unique dairy properties or nutritional equivalence of plant-based products with dairy. This undermines consumers ability to make informed purchasing decisions and unfairly disadvantages dairy foods.

Consumers are not meeting their recommended dietary requirements for dairy and calcium as specified in the *Australian Dietary Guidelines*. Under-consumption of all five-food group or 'core' foods and beverages is a significant problem for most of the Australian population. The Australian Bureau of Statistics (ABS) 2011 - 2012 Australian Health Survey showed that the dairy food group is the second most under-consumed food group, after vegetables – with 90% of Australians not consuming their recommended serves of dairy each day² resulting in more than 50% of Australians aged two years and over, not meeting their daily calcium requirements³. More concerning is that more than 90% of women aged 50 years and over, and adolescent girls aged 14 to 18 years did not meet their calcium requirements, two critical periods for managing bone loss and building peak bone mass, respectively. Australian consumers avoiding dairy are generally poorer in nutrient adequacy, compared to those with higher dairy intakes⁴.

1. Dairy Australia, Dairy Australia Trust Tracker 2020

2. Australian Bureau of Statistics. 4364.0.55.012 - Australian Health Survey: Consumption of Food Groups from the Australian Dietary Guidelines, 2011-12. 2016.

3. Australian Bureau of Statistics. 4364.0.55.007 - Australian Health Survey: Nutrition First Results - Foods and Nutrients, 2011-12. 2015.

4. Ridoutt B, Baird D, Hendrie G. 2021. The role of dairy foods in lower greenhouse gas emission and higher diet quality dietary patterns. *European Journal of Nutrition*. Feb;60(1):275-285.



If Australians increased their intake of dairy foods to the recommended levels as per the *Australian Dietary Guidelines*, research has shown at least \$2 billion could be saved from the annual healthcare budget⁵. This can be achieved by each sector; plant-based alternatives, dairy and meat products – accurately talking to their own product credentials.

It is on this basis that the ADIC recommends:

1. Improving labelling and marketing of plant-based alternatives to dairy products. They should accurately describe their product, are truthful and do not mislead the consumer over what the product contains (including its nutrition content and health benefits).
2. The development of a voluntary framework that provides clear guidance on the above and includes governance system that ensures compliance, enforcement and review process.

Should a voluntary framework not be achieved and/or is not successful, we support:

1. Government attaining closer alignment with the principles outlined in *Codex General Standard on Use of Dairy Terms* whereby:
 - a. Dairy terms are generally restricted for use with dairy products and ingredients only.
 - b. The only exemption is for the use of dairy terms on non-dairy products whose nature is clear from traditional usage or to describe a characteristic quality, e.g., coconut milk, peanut butter, cocoa butter.
2. The *Australian New Zealand Food Standards Code* is reviewed to remove clause 1.1.1-13 (4) – Foods sold with a specified name or representation:
 - a. Standard 1.1.1-13(4) allows for products to use a term, provided the context makes clear of the intention. The provision specifically uses the example where 'soy milk' is permitted with 'soy' as the qualifier that sets the context and intention, which permits the use of the word 'milk'.
3. Government commitment to enforce labelling and marketing requirements.

These recommendations align with the output from Ministerial Industry Working group.

Thank you again for the opportunity to contribute to the inquiry.

Yours sincerely

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Chairman
Australian Dairy Industry Council

Grant Crothers
Deputy Chairman
Australian Dairy Industry Council

5. Doidge, Segal & Gospodarevskaya (2012). Attributable risk analysis reveals potential healthcare savings from increased consumption of dairy products. *Nutrition* 142(9):1772-80.