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The Master Fish Merchants' Association of Australia

**Submission to Inquiry into food origin labelling
1 May 2014**

The Master Fish Merchants' Association of Australia (MFMA) is a not for profit organisation established in the 1930's that represents businesses in the post-harvest sector of the seafood industry. The MFMA's membership includes some 180 businesses in New South Wales, Queensland, South Australia, Victoria and Western Australia, which operate as seafood retailers and wholesalers.

The MFMA would like to provide the following input to the *Standing Committee on Agriculture and Industry* inquiry into food origin labelling.

Unpackaged seafood for retail sale

In regard to the labelling of unpackaged seafood displayed for retail sale, the MFMA believes the current country of origin labelling requirements as set out in Standard 1.2.11 in the Australia New Zealand Food Standards Code should be maintained. The MFMA consider that the current country of origin labelling laws provide consumers with clear and adequate information with which to make informed decisions when purchasing unpackaged seafood. The current requirements also serve to foster consumer confidence in the industry.

The MFMA also considers it important that country of origin statements continue to be required to adhere to the principles set out in the *Competition and Consumer Act 2010* in terms of the criteria for making statements regarding 'Product of', 'Made in' and qualified claims such as 'mix of local and imported'. It is important that all claims be of a uniform nature so that that they are easily understood and recognised by consumers at the point of purchase.

Country of origin labelling of seafood in the food service sector

The MFMA believe that country of origin labelling obligations in regard to seafood should be extended to the food service sector (i.e. restaurants, cafes, clubs, pubs and takeaway outlets) in order to allow consumers to identify imported seafood. The current exemption from country of origin labelling obligations for seafood which is sold for immediate consumption denies consumers access to adequate information on the origins of their food, and is inconsistent with the labelling obligations placed on fresh seafood retailers.

The inquiry will be aware that in November 2008, the Northern Territory introduced licensing conditions under the *Fisheries Act* that requires all businesses selling imported seafood, including businesses that sell cooked seafood, to clearly identify to the consumer if the product is 'imported'. This is applicable for each seafood dish advertised for sale, including on menus, menu boards, pamphlets and brochures. In the case of mixed seafood dishes, businesses must advertise if it contains imported seafood.

The MFMA understands that the Northern Territory approach has been highly successful and

The Master Fish Merchant's Association of Australia

ABN: 92 223 282 877

Corner Pyrmont Bridge Road & Bank Street, Locked Bag 247, Pyrmont NSW 2009

Phone (02) 9552 1611 **Fax** (02) 9552 3171

Web www.mfma.com.au

that there is a high level of compliance by restaurants and other cooked businesses with minimal compliance costs. While the Northern Territory approach falls short of the country of origin obligations placed on fresh seafood retailers under the Food Standards Code by allowing the use of the generic term 'imported', it does at least provide consumers with minimal origin information to assist them in making informed decision when choosing what to eat.

It should be noted that imported seafood products are of critical importance to restaurants, cafes, clubs, pubs and takeaway outlets. This is reflected in the fact that they make up around 75% of all seafood consumed in Australia. Without imported seafood products the average consumer would find that the cost of sort after domestic seafood products would be prohibitively expensive – seafood would become a rare treat!

Rising demand for seafood products due to the increasing recognition of the health benefits seafood can deliver, combined with a growing population, will inevitably lead to an increasing dependence on imported seafood products given domestic supply constraints. The industry's dependence on imported seafood products in order to supply consumer demand is a key reason why the MFMA believe that country of origin labelling is so important. Clearly identifying whether or not a seafood product is imported or domestically sourced is critical in terms of fostering consumer confidence in imported seafood products as well raising consumer awareness of the high quality and value for money many imported seafood products represent.

As such the MFMA believes that businesses that sell seafood for immediate consumption should at a minimum be required to clearly identify to the consumer if a seafood product is 'imported' as per that required in the Northern Territory. It should also be required that country of origin statements be included in direct connection to the product name, and not by reference to fine print.

Promotion of seafood products in advertising materials

The manner in which the large supermarket chains disclose country of origin information when promoting unpackaged seafood products in newspapers advertisements and letterbox pamphlets is of significant concern to fresh seafood retailers. Supermarkets typically indicate that seafood products are imported by using a small asterisk or equivalent (typically 1mm in size) at the end of the product name that refers consumers to the fine print conditions at the bottom of the advertisement.

While this approach to advertising seafood may be legal under the Food Standards Code it results in many consumers being unaware (if they don't notice the asterisk and check the 'fine print') that some seafood products advertised are imported. The lack of clear country of origin information impedes the ability of consumers to make informed decisions as to whether or not the product represents good value for their money. This is particularly concerning where there exists a significant price differential between the domestic and imported product such as with prawns and Barramundi.

The MFMA believe that the Food Standards Code needs to be changed to require that advertising materials promoting unpackaged seafood products clearly state the country of

origin. It should also be required that a country of origin statement be included in direct connecting to the product name, not by reference to fine print. Altering the Food Standards Code in the manner outlined above will enable consumers to make informed decisions and provide a more uniform regulatory system that delivers a fair playing field for small retailers when competing against large supermarkets chains.