

23 October 2009

Mr John Dawkins  
Committee Secretary  
Department of the Senate  
PO Box 6100  
Parliament House  
Canberra ACT 2600  
Australia

Dear John

I welcome this opportunity to lodge a submission on the Food Standards Amendment (Truth in Labelling Laws) Bill 2009.

I have long been campaigning for improved labelling laws having had a motion before the South Australian House of Assembly in 2006 and 2008 requesting the state and federal governments implement more comprehensive food labelling laws.

Ethical eating is a growing trend among conscientious consumers and the current situation regarding the labels "Made in Australia," "Product of Australia" or "Australian Grown" is deceiving consumers. When consumers buy Australian made products they believe they are supporting Australian producers and businesses, with the profits staying in Australia to support our economy and Australian jobs. These labels need revision and tighter definition.

According to Ms Kathleen Plowman, Policy General Manager with Australian Pork Limited, few consumers know what the terms "Product of Australia" or "Made in Australia" meant.<sup>[1]</sup> We recently had a situation of a manufacturer importing pork and wrapping it in Australian pork bones and passing it off as a "Product of Australia".

Indeed, there are a number of products that could be misleading consumers. Apple Juice being sold under the name of Goulburn Valley comprises 100 per cent imported apple juice but the container states that it is made in Australia from imported ingredients<sup>[2]</sup>. Many canned or packaged items make the claim that they are made up of local and imported ingredients without any reference to percentages. This may lead some consumers to believe that they are supporting Australian growers when the reality is that the product may only contain a small percentage of Australian produce. According to apple growers, the use of these terms and the use of imported produce reduce the price offered to Australian growers for juice<sup>[3]</sup>.

Brand names of manufactured products that have originated in Australia (e.g. Cyclone and Lockwood) are now used as branding on imported products (e.g. Chinese) further confusing and misleading consumers.

We also have a problem at the moment with regard to the sale of loose fruit and vegetables. Despite Australia having vast areas of open space and fertile ground in

which to grow fruit and vegetables, the importation of food products, including fruit and vegetables, has reached record highs. According to Mike Redmond, Chief Executive of Virginia Horticultural Centre, “the rising level of imported produce is a serious problem with the major retailers continuing to disregard country of origin labelling”. He says that “no one is taking any notice of country of origin labelling” and that he has “seen bins of fruit and vegetables and not even a country of origin label.”<sup>[4]</sup>

I believe urgent reform is also well overdue with respect to a number of other misleading claims that are being made by food manufacturers. Food is now more complex because consumers are often unable to see what is in processed foods and have to rely upon labels for information.

There is a need to address the use of terms which are vague and misleading. The use of the terms “natural”, “fresh” and “lite” are just a few examples. The term “natural” implies it occurs naturally and yet is used to describe many manufactured food stuffs i.e. yoghurt. Likewise, the use of the term “fresh” or “fresh daily”, and yet what you may get may not have come in that day and you may be buying something that has been there for a while. The use of the term “lite” implies that the product is low in fat but many products still have a significant amount of fat in them as well as a lot of sugar and salt.

The label organic is widely and wrongly applied. Many of the products called organic have no legitimacy as organic. It is a marketing tool to elicit higher prices.

Another term which is being misused is the labelling of “free range” products, particularly within the egg and pork industry. Reports suggest that it is impossible for Australia to produce the number of eggs labelled and sold as free-range by retailers. According to the website of the Egg Corporation Assured, third party auditors are used to monitor the quality of product and the integrity of labelling practices. Accusations have been made that the ECA is setting the bar too low when it comes to classifying free-range, (including hens in barns) with Dr John Kaye MP (NSW, Greens) calling for more formal accreditation of free-range farming practices and the introduction of regulations to control labelling.<sup>[5]</sup> In the Pork Industry, free-range pork producer, Lee McCosker says that an increasing number of producers are taking advantage of the free range label despite most pigs having spent only three weeks of their lives outdoors.<sup>[6]</sup> Whilst there is a call for clear guidelines, I believe legislative measures would be more effective and would ensure consumers are not misled. Indeed, it seems that some growers are taking advantage of the lack of legal definition. The UK has a standard for free range poultry and products – why not Australia?

Another issue which needs to be addressed is the use of generic names for ingredients. One of the most concerning examples here is the use of the term vegetable oil. People believe that vegetable oil is a good thing but consumers could actually be consuming one of the worst oils possible – palm oil. Manufacturers do not have to list palm oil because, unlike peanut, soy or sesame oil, it has not been linked to allergies. It is claimed that Australians consume an average of 10kg of Palm Oil per person each year. Palm oil is made up of over 50% saturated fat and

can increase the risk of heart disease. In fact, the Heart Foundation does not recommend using palm oil at all.<sup>[7]</sup>

Imported olive oil is still being sold in Australia as Virgin Olive Oil when it is not. Testing carried out by independent laboratory (Modern Olives) has revealed that many of the popular brands of imported Virgin Olive Oil (labelled as such) have been heat treated and are not Virgin Olive Oil!<sup>[8]</sup> Germany has a standard for olive oil – why not Australia?

There are a number of ingredients and additives which are being used which have been banned in other countries due to their adverse health effects and yet are still being used in Australia. The prime example is the use and listing of *trans* fats! As of 1 January 2006 United States laws required food manufacturers to list *trans* fats because of their saturated fats content and links to high LDL or bad cholesterol.<sup>[9]</sup>

*Trans* fats are used in a variety of food goods including biscuits and snack foods as well as being used for deep frying in take-away businesses. In Australia we still also many unnecessary food additives which have been linked to childhood behavioural problems. The organisation “Kids First” has called on Food Standards Australia New Zealand to ban six food additives following a study linking additives and childhood behavioural problems. British authorities have agreed to a ban of six artificial colours used in food consumed by children.<sup>[10]</sup> Indeed Smarties contain five of the additives which have been banned in the UK. These additives are also linked to a number of health problems such as asthma and severe eczema.<sup>[11]</sup>

There is also a need to identify the amount of water (percentage) in a product. In Australia water only needs to be listed whereas in the United States the percentage is required.

Further to the issue of country of origin labelling, I would also suggest that In conjunction with the tightening of country of origin laws that measures also be examined to prevent manufacturers from fraudulently passing off products as being Australian made. Sydney-based company, Environmental Isotopes, has developed technology which is tamper proof and which identifies the origins of food stuffs by the unique isotopic and trace element signatures that all foods have.<sup>[12]</sup>

In closing, I believe that if there are going to be laws in place then there also needs to be strict enforcement of the laws. An examination of the seafood industry has found that about 50% of all seafood available in Australia is imported and that it is very difficult for consumers to ascertain the country of origin of the seafood in our local markets as not all businesses are complying. A labelling blitz undertaken by NSW Health Inspectors on Sydney Fish Markets revealed that some retailers were not complying with existing labelling laws regarding country of origin requirements. I understand that few government inspections “are known to have occurred to elicit breaches of Australian labelling requirements.”<sup>[13]</sup>

In essence, the whole area of food labelling in Australia is in need of substantial reform. In a democracy people (i.e. consumers) are entitled to know what they are eating and also the source/origin of non-food manufactured products.

I thank you once again for the opportunity to comment.

Yours sincerely

Bob Such MP JP  
**Member for Fisher**

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<sup>[1]</sup> The Weekly Times, 25 Mar 2009

<sup>[2]</sup> The Weekly Times, 29 Oct 2008

<sup>[3]</sup> The Weekly Times, 29 Oct 2009

<sup>[4]</sup> The Advertiser, 27 Dec 2008

<sup>[5]</sup> The Sunday Age, 6 Sept 2009

<sup>[6]</sup> The Weekly Times, 4 Mar 2009

<sup>[7]</sup> **Palm Oil Action** - <http://www.palmoilaction.org.au/>

<sup>[8]</sup> The Weekly Times, 21 Oct 2009

<sup>[9]</sup> <http://www.cfsan.fda.gov/~dms/transfat.html>

<sup>[10]</sup> The Advertiser, 9 Sept 2008

<sup>[11]</sup> The Advertiser, 2 June 2009

<sup>[12]</sup> The Advertiser, 18 May 2009)

<sup>[13]</sup> Foodbiz.net.au