



GREENPEACE

SUBMISSION TO  
COMMUNITY AFFAIRS COMMITTEE

Inquiry into Truth in Food Labelling Bill 2003

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## **INTRODUCTION**

Greenpeace Australia Pacific appreciates the opportunity to comment on the ***Truth in Labelling Bill 2003*** and hope that we are able to provide information and commentary that will be useful in progressing this Bill forward.

While in general terms Greenpeace is supportive of the intent of the Bill in its efforts to fulfil the consumer's right to know about what is in their food, and to provide accurate information about food at the point of sale, there are a number of recommendations that we would make to strengthen this Bill. The most prominent of which is the removal of exemptions under Section 12. These exemptions fundamentally undermine the intent of the legislation, which is about ensuring that consumers are able to exercise their right to know with regard to purchasing and consumption of their food.

Our submission will first provide background information with regard to the two key factors that underpin the need for comprehensive food labelling, consumer right to know and public health concerns. We will also examine community attitudes to GE food labelling, an assessment of Australia's labelling GE labelling laws as they stand, and compliance and enforcement of labelling laws.

Specific issues raised by the Bill are addressed and recommendations made.

## **CONSUMER RIGHT TO KNOW**

Food shoppers want to know whether the food they are purchasing is produced from GE ingredients for a variety of different reasons. Consumer rights have grown in prominence over recent years, with a growing awareness among the population of affluent countries that purchasing decisions are a key expression of political choice. Increasingly, Australians are voting with their dollars, whether this is through schemes such as green power, fair trade, organic or GE free products. The proliferation of eco-labelling and certification schemes are testament to this growing trend.

In relation to Genetically Engineered foods, it is clear that there is considerable public unrest. Many studies (outlined below) show that consumer concern over GE is wide-ranging and is increasing.

Many people are concerned about possible health impacts of GE foods, and the lack of rigour of the regulatory system does little to allay these fears. There is also considerable concern over the possible environmental impacts of GE crops and the lack of scientific understanding of the long term impacts of GE crops in the environment underpin these concerns.

People may also choose not to buy GE foods because of ethical, religious or political reasons. Many have expressed concerns at eating foods that contain DNA from another species that would not occur in that species through the processes of nature. This is often expressed through a philosophical objection to "playing god" with nature.

Labelling systems for Hallal and Kosher foods have evolved in response to religious concerns. Fundamental to our democracy is the right of people to free expression of religion. This is a right that is widely recognised and that does not need to be 'understood' by scientists for it to have validity.

Others may have concerns about biotechnology / chemical companies meddling with food. Given the appalling record of some of these companies and their previous products (eg. PCB's were developed and marketed by Monsanto), both the public and regulators have strong grounds for caution.

These and other personal reasons combine to form two powerful public responses to GE crops:

1. Many people don't want to eat GE foods;
2. Many people don't want to support the GE food industry with their purchasing power.

Fundamental to both of these responses is that people have a right to know if the food on supermarket shelves is produced using the process of genetic engineering.

The current laws in Australia do not provide food consumers with any certainty about whether the food they are eating is sourced from GE ingredients. Clearly, because of the range of reasons that consumers may wish to reject GE foods, it is not adequate for them to merely be assured that detectable DNA is no longer present in the final product. This does not uphold the rights of a consumer who is making their decision based on an ethical or environmental basis.

Mechanisms for ensuring full traceability of GE products will enable consumers to make fully informed choices about consuming GE foods. In this regard, new EU regulations which address traceability are far superior to the current Australian regulations.

***Australia should implement a full traceability system so as to enable consumers to make informed choices based on complete product information.***

## **CONSUMER ATTITUDES IN REGARD TO GENETICALLY ENGINEERED FOODS**

Research into consumer attitudes has repeatedly demonstrated that there is a high level of public concern over the issue of Genetically Engineered foods. This has translated into both a strong, public rejection of GE foods, and strong public demand for comprehensive mandatory labelling of GE foods.

### ***Australia***

Prior to the introduction of GE food labelling laws in Australia, consumers demonstrated a strong preference for comprehensive GE labelling requirements. Recommendations from the 1999 Consensus Conference indicated strong support for labelling of all genetically engineered foods.

The Taylor Nelson Sofres study also showed that 92% of Australians thought that food derived from GE crops (eg oils) should be labelled, and 92% thought that labelling should include highly refined products derived from GE crops. This was reinforced by 61% of Australians saying they would be less likely to buy a product if they knew it came from an animal that had been fed GE feed.<sup>9</sup>

Research undertaken by Taylor Nelson Sofres in 2002 also showed that 68% of Australians would be less likely to eat a food that they knew had been genetically engineered.<sup>1</sup>

This research reinforced a similar Biotechnology Australia survey from 2001, which showed that 73% of Australians consider the use of gene technology in food and drink to be risky – an increase from 67% in 1999.

[http://www.biotechnology.gov.au/library/content\\_library/BA\\_Final\\_Report\\_Summary\\_31\\_July\\_2001.pdf](http://www.biotechnology.gov.au/library/content_library/BA_Final_Report_Summary_31_July_2001.pdf)

A recent poll by Biotechnology Australia indicated that public concern over GE crops has increased slightly, with 54% of Australians considering that the risks are higher than the benefits, compared to 49% in 2001 (Biotechnology Australia media release, 17<sup>th</sup> June 2003

[http://www.biotechnology.gov.au/library/content\\_library/BA\\_media\\_Toowoomba\\_June03.pdf](http://www.biotechnology.gov.au/library/content_library/BA_media_Toowoomba_June03.pdf)

A July 2003 poll by Roy Morgan indicated that 55% of Australians won't buy GE food if they can help it. (<http://www.roymorgan.com/news/polls/2003/3652/>) This study showed that the level of concern in Australia is similar to the UK, where 55% of people also indicated that they

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<sup>1</sup> Australian Attitudes to genetic Engineering, Survey conducted by Taylor Nelson Sofres, April 5-7, 2002.

won't buy GE if they can avoid it. This study indicated that concern in Australia is slightly higher than in the USA and New Zealand.

***Studies from other countries about consumer attitudes:***

A report on Consumer Focus Groups on Biotechnology, October 20, 2000 conducted by the US Food and Drug Agency indicated that nearly all of the participants thought that GM status should be disclosed and preferred label statements that give them more information about how and why a product was bioengineered

<http://www.cfsan.fda.gov/~comm/biorpt.html>

A July 2003 poll by ABC News in the US found that more than half of American adults surveyed said they would be less likely to buy a food product at the grocery store if it carried a label saying it contained gene-altered ingredients. That survey response rose to 62 percent among women, who do most food shopping.

Research across several countries shows that while perceptions of GM foods vary all consumers, including Americans, are willing to pay substantial premiums to avoid GM foods. These premiums may exceed 50% of the discounted prices of GM foods. In addition, American consumers showed strong support for mandatory labelling of GM foods.

*Consumer Acceptance and Willingness to Pay for Genetically Modified Vegetable Oil and Salmon: A Multiple-Country Assessment* Wen S. Chern, Kyrre Rickertsen, Nobuhiro Tsuboi, and Tsu-Tan Fu *The Ohio State University; Agricultural University of Norway; University of Tsukuba, Japan; Academia Sinica, Taiwan 2003*

A report released by the USDA in March 2003 shows that US consumers react strongly to GMOs in their food if they are provided this information through labelling. According to the evidence in this study, when consumers are given information about GMOs in food product, they are less willing to buy these products.

An American survey by King (Cooperative Extension Specialist, College of Agriculture and Environmental Sciences, University of California Davis) of low income consumer attitudes towards genetically modified foods was conducted in the summer of 2002. Awareness of genetically modified foods was low, but ethical and safety concerns were fairly high; and they wanted genetically modified foods to be labelled.

Nicelma J. King, California Agriculture, July-September 2003, <http://danr.ucop.edu/calag/about.html>.

More than 60% of consumers were unwilling to buy genetically modified (GM) foods due to safety concerns, according to a Japanese Ministry of Agriculture, Forestry and Fisheries survey. Over 60% of consumers reject GM foods on safety fears. Japan Economic Newswire, 22<sup>nd</sup> July 2003.

A June 2003 survey by the Pew Research Centre, found that opposition to GM foods in a worldwide survey ranged from 55% opposed in the United States to 89% opposed in France. 81% of Germans, 74% of Italians, 76% of Japanese, 65% of Britons and 63% of Canadians opposed GE. The poll also showed that women are more likely to oppose GE than men.

An April 2003 poll by MORI Social Research Institute in Britain showed that 14% of Britons supports GE food while 56% oppose it.

A Roy Morgan poll found that most Australians (55%) and Britons (also 55%) won't buy genetically modified (GM) food if they can help it. Only 38% of Australians and 39% of those in the UK don't try to avoid GM food.

**PUBLIC HEALTH CONCERNS**

Traceability is essential for GE food products. While the public right to know is of crucial importance with regard to labelling, the health risks posed by GE foods are also an important

factor. Concerns about health impacts of GE food continue to be raised by public health bodies from around the world and have yet to be adequately addressed. Without traceability, there can be no monitoring of adverse health effects and no recourse for action should a product need to be recalled.

The French food safety authority, AFSSA, recently concluded that current safety testing is not sufficient to ensure the safety of GE foods.<sup>2</sup> Their report also stated that it was important to research into the possible gradual development of allergic reactions through prolonged exposure to GE foods.

This echoes a scientist's comments in the scientific journal, *Nature*, about the long-term effects of GE food that: "Under current monitoring conditions, any unanticipated health impact of such foods would need to be a 'monumental disaster' to be detectable".<sup>3</sup>

Concern has also been raised about the adequacy of safety testing for GE food in the United States. In a recently released report<sup>4</sup>, the Centre for Science in the Public Interest (CSPI) stated that the US Food and Drug Agency was ill-equipped to assure the safety of future foods that will be engineered in increasingly complex ways. The report affirms the Public Health Association of Australia's concern about the quality of the testing completed by biotech companies. Specifically, concerns have been raised about technical shortcomings in the data provided and inadequate methodology to test for allergens. The Public Health Association of Australia (PHAA) has raised significant concerns with the experimental studies completed on GE foods, including a lack of feeding trials on some products and little peer review of the scientific literature on testing.<sup>5</sup>

"Substantial equivalence", a concept used by regulators (including FSANZ) who grant official approvals to the introduction of GE foods, is based on a flawed assumption. It assumes that if a GE food can be characterised (through chemical composition) as substantially equivalent to its conventional form, then the GE variety is as safe as the non-GE variety. It means that rigorous testing is not required of GE foods.<sup>6</sup> However, merely assessing the chemical values of a food does not provide information on biological, toxicological and immunological impacts. The use of substantial equivalence as a criterion in GE food safety testing has been severely criticised by such respected institutions as The Royal Society of London<sup>7</sup> and the Royal Society of Canada<sup>8</sup>.

The concept of substantial equivalence itself is deliberately vague. It is a pseudo-scientific concept developed out of commercial and political expediency. While it may provide industry with the excuses it needs not to conduct biochemical and toxicological testing, it hardly provides reassurance for consumers.

The lack of long term scientific information about the health impacts of genetically engineered foods is limited, and therefore full traceability of Genetically Engineered products remains a public health imperative.

The current labelling laws appear to be justified (at least in part) on the basis that no novel proteins or DNA are transferred to highly processed products (such as oils) that are derived from GE crops. However, this view is compromised by both the imperfection of current testing methods, as well as the growing body of evidence that suggests that proteins do actually persist in oils. For example, a recent study in the *New England Journal of Medicine* indicated

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<sup>2</sup> AFSSA (Agence Française de Sécurité Sanitaire des Aliments) (2002) Evaluation des risques relatifs à la consommation de produits alimentaires composés ou issus d'organismes génétiquement modifiés. Available at [www.afssa.fr/ftp/actu/NUT2002sa0024.pdf](http://www.afssa.fr/ftp/actu/NUT2002sa0024.pdf)

<sup>3</sup> Butler, D. & Relchhardt, A. (1999) Long-term effect of GM crops serves up food for thought. *Nature*, 398, 651-653.

<sup>4</sup> "Holes in the Biotech Safety Net – FDA policy does not assure the Safety of Genetically Engineered Foods", Doug Gurian-Sherman, PhD, United States Centre for Science in the Public Interest, January 2003.

<sup>5</sup> GE Foods and Human Health Safety Assessments, Dr Judy Carmen, Senior Lecturer, Department of Public Health, University of Adelaide, Spokesperson on GE food, Public Health Association of Australia, [http://www.pha.org.au/food\\_regulation\\_advisory\\_group](http://www.pha.org.au/food_regulation_advisory_group).

<sup>6</sup> Millstone E, Brunner, E and Mayer S, (1999) Beyond Substantial Equivalence, *Nature*, 401, 525-526

<sup>7</sup> Royal Society (2002) Genetically modified plants for food use and human health – an update. Policy document 4/02. February 2002, Available at: <http://www.royalsoc.ac.uk>.

<sup>8</sup> Royal Society of Canada (2001) Elements of Precaution: Recommendations for the Regulation of Food Biotechnology in Canada.

that peanut oil may have the potential to trigger allergic reactions in people who have a peanut allergy.<sup>9</sup>

## **LABELLING OF GENETICALLY ENGINEERED FOOD AROUND THE WORLD**

There has been a clear trend towards increasing the labelling of Genetically Engineered (GE) food in many countries around the world over the last few years. Clearly the most significant developments have occurred in the European Union, where new labelling laws were introduced this year. The new rules will allow the EU to implement a thorough traceability system, in order to track food ingredients consisting of, containing, or produced from GE, through all stages of the food processing chain. GE animal feed and highly processed GE derived ingredients (such as oils) will also be labelled under the scheme.

Further details of the impact of the European Union labelling laws can be found in the attached document "The European Union's new labelling rules for genetically engineered food and feed – Implications for the market of GMO and non-GMO products" Greenpeace, July 2, 2003.

However, the EU is not the only place where there has been a shift towards implementation of GE labelling regulations. Other key developments have taken place in a range of countries, including:

**Brazil** - In April 2003, laws were introduced that require labelling for foods that contain more than 1% of GE ingredients, and where DNA is detectable.

**China** - In March 2002, strict regulations were introduced that required clear labelling of soya, maize, oilseed, rape, cotton and tomatoes that have been produced from Genetic Engineering. These regulations also apply to products where the GE ingredients are not detectable in the final products.

**Indonesia** – Mandatory labelling is required for foods resulting from genetic engineering or containing GE ingredients.

**Japan** – In April 2001, mandatory labelling was introduced for certain GE products where DNA or novel protein are identifiable.

**Saudi Arabia** – Strict labelling requirements for processed GE foods came into force in December 2001. From the end of 2004, all locally produced and imported GE animal feed, planting seed, fruits and vegetable must be labelled.

Neither **Canada** or the **USA** have implemented mandatory labelling, however, this clearly goes against the wishes of the majority of the population of those countries. This is expanded on in more detail in section 3.

Further details of international developments with regard to labelling can be found in the attached document: *Governments worldwide require regulation and labelling of GMOs*, Greenpeace Briefing Paper, June 2003.

## **LABELLING REQUIREMENTS AS THEY CURRENTLY STAND IN AUSTRALIA**

Australia's labelling laws for foods produced from Genetically Engineered ingredients sit somewhere in the middle of the spectrum of labelling requirements internationally. While they

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<sup>9</sup> The New England Journal of Medicine 2003, 348, 977-985.

are stronger than requirements in countries such as Canada and the United States, they are not as informative on GE status as those being implemented in the European Union.

The United States continues to have no mandatory labelling of genetically engineered foods. The US Food Drug Agency has issued guidelines for Industry about Voluntary Labelling of foods produced using Genetic Engineering.<sup>10</sup> In the US, mandatory labelling relates only to nutritional value and allergenicity. The lack of GE labelling laws in the US leaves consumers unable to make informed choices about purchasing GE food.

New GE labelling laws in the European Union set a far higher benchmark than Australian regulations with regards to providing consumer information and fulfilling necessary public health objectives.

The Australian labelling regime ought to be compared with developments in the European Union, where regulators have been responsive to public demand. In contrast, Canada and the US have effectively denied their citizens the right to know, and therefore the right to choose whether or not they eat GE foods.

## **COMPLIANCE AND ENFORCEMENT OF FOOD LABELLING**

Effectiveness of GE food labelling can only be established by systematic monitoring and adequate enforcement mechanisms.

Testing by Greenpeace of a number of major brands indicates that there is a problem around the issue of GE ingredients that are 'unintentionally' present in food. Of seven products tested in June 2003, five returned positive results for GE at levels marginally below the 1% threshold. This was higher than the percentage of positives from the FSANZ survey, which showed approximately 20% of products as positive for low levels of GE. This discrepancy can no doubt be explained by sampling methodology.

It is obvious from these test results, as well as extensive consultations with the food industry, that many companies are finding it difficult to exclude GE foods from their supply chain, despite their best efforts.

In some cases however, there is a concern over the definition of 'unintentional presence' under the food standards code. Our concern is that, in some cases, 1% contamination is designed into the system of food manufacturers and is therefore 'intentional' - and a breach of the code. It is not yet clear how the 'unintentional' criteria are being applied as part of the regulatory system.

The recent survey by FSANZ indicated that small and medium sized businesses are ill-equipped to deal with the labelling requirements, or were simply unaware that the labelling laws existed. It appeared that many smaller companies complied with the laws more by accident than by design. This is clearly not appropriate.

A significant increase of resources allocated to enable smaller food manufacturers to better understand and comply with the labelling laws.

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<sup>10</sup> Guidance for Industry - Voluntary Labeling Indicating Whether Foods Have or Have Not Been Developed Using Bioengineering, <http://www.cfsan.fda.gov/~dms/biolabgu.html>

## RECOMMENDATIONS AND COMMENTS

### **Section 10 and 11: LABELLING OF PACKAGED AND UNPACKAGED FOODS DERIVED FROM GENETIC MODIFICATION OR CONTAINING AN INGREDIENT DERIVED FROM GENETIC MODIFICATION**

The fact that products derived from GE crops do not need to be labelled in Australia is a significant breach of the public's right to know what they are eating. Most people would reasonably assume that, for example, a canola oil derived from GE canola would need to be labelled as GE. This exemption can quite reasonably be described as deceptive.

***Greenpeace supports Section 10 and 11 of the Truth in Labelling Bill.***

### **Section 12: EXEMPTIONS**

**(a) Meat, milk and eggs obtained from animals treated with GM veterinary products or fed GM food.**

**(b) food produced with the help of GM enzymes**

The concerns that have previously been raised with regard to consumer right to know and the need for a fully traceable system in regards to GE food labelling mean that an exclusion on animal products that have been fed GE feed and food produced with the help of GM enzymes will undermine other the integrity of this Bill. Section 15 of this Bill argues for a comprehensive traceability system, however, this will be rendered meaningless if consumers are not provided with the labelling that brings this information to them at the point of sale.

***Recommendation: That the exemptions on animals products produced from animals fed on GE feed and food produced with the help of GM enzymes under sections 12 (a) and (b) are removed.***

**(c) Food Prepared In Restaurants Or Take Away Outlets**

Food at point of sale continues to be labelled in the EU, in stark contrast to the Australian regulations. Given the number of meals that are consumed in from restaurants and take away venues in Australia each day, the lack of labelling in these situations remains a significant loophole. Neither consumer nor public health concerns will be managed adequately until this is remedied under Standard 1.5.2 of the Food Labelling Regulations.

***Recommendation: That the exemption on takeaway foods and restaurant meals under Section 12(c) of the Bill are removed.***

### **Section 13: LABELLING OF GE ANIMAL FEED**

Greenpeace estimates that up to 80% of all GE crops grown in the world are used for animal feed. There has been an increasing trend within the international food industry to restrict the use of GE feed, in line with consumer expectations.

New European laws require that animal feed produced from Genetically Engineered crops will also need to be labelled. This will make it easier for farmers to choose whether or not they use GE or non-GE animal feed. While consumer products derived from the use of this feed, such as meat, eggs and milk will unfortunately not require labelling, labelling of feed will ensure that producers and industry are able to more easily identify whether their products are produced



using GE feed, and pass this information onto consumers. The BSE crisis and subsequent feed contamination scandals have made animal feed an extremely sensitive issue in the European public. Stringent demands for non-GE ingredients also come from the pet food industry.

As identified previously, current Australian regulations are lacking in that the labelling of animal feed is not required. This is despite the fact that the Australian food industry is increasingly moving to ensure that their products do not come from animals fed GE feed. For example, the dairy industry has put in place policies to ensure Australian dairy cows are not fed GE feed. Similarly several major pork and beef producers have implemented similar policies to avoid GE feed.

The Greenpeace website (<http://www.truefood.org.au/guide2.html?mode=browse>) includes a comprehensive listing of Australian food brands and includes those which have policies to avoid GE from paddock to plate – including GE feed. Almost half of Australia's food producers now have such a policy in place.

***Comment: Greenpeace supports Section 13 of the Bill that requires the labelling of animal feed containing or derived from genetic modification.***

#### **Section 14: REDUCTION ON LEVEL OF ACCIDENTAL CONTAMINATION (ADVENTITIOUS PRESENCE) OF GE INGREDIENTS**

The EU regulations have established a new threshold for "adventitious or technically unavoidable presence" of 0.9 % of any ingredient, lowering it from 1.0%, which is also currently the level in used in Standard 1.5.2 of the Australian Food Standards code.

As in Australia, this percentage refers to each ingredient used in the product, not to the mass or volume of the product (e.g. 0.9% of lecithin used, which itself may only account for 1% of a chocolate bar). Consequently, if several ingredients containing GE ingredients are included on one product, then the total level of adventitious presence The level only applies if the operator can prove that he has taken all appropriate steps to avoid such contamination.

***Recommendation: Greenpeace supports the application of a 'lowest detectable' threshold level of 0.1%, which can be adjusted in accordance with technological developments.***

## **Section 15: TRACEABILITY IN GE FOOD LABELLING**

Traceability means that labelling of genetically modified food and feed is required for products in which the DNA or specific protein of the Genetically Modified Organism can no longer be detected, but which are produced from GMOs. As well as the EU, China has also implanted a system of full traceability, although the full details of this are difficult to discern and the new regulations are still in the process of being implemented.

By comparison, the Australian regulations do not include labelling of products where novel proteins or DNA can be detected in the final product. This means, for example, that canola oil that has been produced entirely from a Genetically Engineered canola crop, would not need to be labelled in Australia.

Traceability throughout the food chain serves an important purpose, not only by allowing consumers to make fully informed choices when purchasing food, but also addressing long-term public health concerns in a responsible manner.

***Comment: Greenpeace supports the development of a full traceability system for all foods and animal feeds containing GM material or derived from GM processes.***

### **APPENDICES ATTACHED:**

1. Greenpeace Briefing: Governments Worldwide require regulation and labelling of GMOs
2. The European union's new labelling rules for genetically engineered food and feed.
3. A review of the community's perceptions and understanding of genetically engineered foods - Taylor Nelson Sofres, September 2002.