



**CONSUMERS'
FEDERATION
OF AUSTRALIA**

Developing and promoting
the consumer interest

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By email: OriginLabelling@industry.gov.au

Country of Origin Labelling Team
Department of Industry, Science, Energy & Resources
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Dear Country of Origin Labelling Team

Evaluation of Country of Origin Labelling for Food

Consumers' Federation of Australia (CFA) is pleased to provide this response to the Evaluation of Country of Origin Labelling (CoOL) for Food Discussion Paper.

CFA is the peak body for consumer organisations in Australia, advocating in the interests of Australian consumers. It promotes and supports its members' campaigns and events, nominates and supports consumer representatives to industry and government processes, develops policy on important consumer issues and facilitates consumer participation in the development of Australian and international standards for goods and services.

In summary, we recommend that:

- Requirements under the Country of Origin Food Labelling Information Standard should be retained.
- Non-priority foods should be provided in the same format as priority foods.
- Country of origin information should be provided in a consistent manner.
- Country of origin information for food products sold online should be provided with other information relating to the product and be available at the time of display.
- ACCC should include CoOL in an ongoing enforcement program.
- ACCC should promote the use of the information provided under CoOL.

Consultation Questions

1. *Did the CoOL reforms achieve the objective of improving consumer understanding about the origins of their food?*

CFA considers that the use of the kangaroo logo and bar chart provide an easily recognised method of identifying what was made, grown, packed in, or a product of, Australia. There still appears to be some confusion in relation to situations where only a percentage of the

ingredients are Australian, and consumers, perhaps not understanding the bar chart, rely on the kangaroo logo only. The message portrayed by the kangaroo logo could gain more significance if its use was limited, for example, to food that had at least 50% of Australian content. CFA also believe more consumer education is needed on use of both the logo and percentage bar.

- 2. Does the differentiation between priority and non-priority foods continue to meet consumer expectations?*

CFA considers that the rationale of balancing the need to provide consumers with more information about the origin of their food with the cost this imposes on industry is not a valid reason for not providing information in the same format on non-priority foods as priority foods. It is important that consumers are provided with a clear consistent indication of all food. Consistency in information helps improve consumer understanding about the origins of their food.

- 3. Has consumer demand for origin information changed since the introduction of the reforms?*

Although CFA has no firm evidence regarding consumer demand for information, anecdotal evidence and the media indicate that there is an increase in consumers' interest in where food originates.

- 4. Is the current scope of mandatory CoOL appropriate? Should the exemption for food service be maintained?*

CFA believes food service should not be exempted for the reason given (3) above. In addition, given a choice, some consumers may change their menu option if they are aware of the country of origin.

- 5. Do the criteria for making a 'Made in' claim reflect consumer perceptions and expectations?*

As stated above, there still appears to be some confusion in relation to situations where only a percentage of the ingredients are Australian, and consumers, perhaps not understanding the bar chart, rely on the kangaroo logo only. Allowing the use of the kangaroo label for products where the percentage of Australian input is low is problematic, particularly where the ingredients are sourced from overseas.

- 6. Does use of the Australian Made logo and bar chart reflect consumer perceptions and expectations?*

There still appears to be some confusion in relation to situations where only a percentage or the ingredients are Australian, and consumers, perhaps not understanding the bar chart, rely on the kangaroo logo only.

CoOL labels do not provide information on the specific country in which key ingredients are grown. Showing a percentage of ingredients is a quick and easy guide to Australian content but consumers, for a number of reasons, like to know where ingredients originate.

- 7. Do the CoOL requirements for online sales provide consumers with adequate origin information about products prior to making their purchase?*

As stated in the discussion paper, consumers may not have ready access to CoOL information until they have received the physical product from an online purchase. CFA believe it is important that the country of origin information is prominently and legibly displayed online with other information in relation to the product

8. *Have communication activities and online resources been effective in raising consumer awareness of the CoOL reforms and helping consumers to understand CoOL information?*

CFA is aware that the government initially promoted CoOL labelling. However, consumer education is more effective if it is on-going. Research by Queensland University of Technology (QUT) published in 2016 in relation to unit pricing reported on experiments to examine the impact of consumer education on unit price usage over time and was based on shoppers' grocery spending. Shoppers receiving consumer education displayed progressively higher levels of savings across the first six weeks of the study to a peak of about 17-18%, declining to around 11-13% by the end of the study.

9. *Are there any product types for which consumers seek greater access to origin information?*

CFA understands that some health food supplement products state they Australian when they are sourced overseas. Health supplement food products have a substantial market in Australia, and it would facilitate consumers choice and understanding if health supplement food products were included in the scheme.

Other Comments:

Compliance and enforcement activities: CFA is concerned at the apparent lack of enforcement of the CoOL legislation. CFA is aware of a survey carried out by the National Measurement Institute in 2019 but is not aware of any legal action or published survey results. CFA recommends that survey results and any enforcement action is made available to the public.

Members of Consumers SA have noted examples of incorrect CoOL labels in relation to prepacked meat containing two CoOL labels where each label shows different percentages of Australian ingredients and where one label states a percentage of Australian ingredients and another label states 'Product of Australia'. It is accepted that mistakes may occur, but two differing statements may mislead consumers and devalues the scheme. Regular compliance and enforcement activities would assist in maintaining the CoOL standard.

Consistent shelf labelling: It is noted that some stores display the country of origin on shelf labels including labels relating to pre-packed items that display a CoOL label. Consistency in shelf labelling enables consumers to easily notice and read the information.

Please contact us at info@consumersfederation.org.au should you have questions about this submission.