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THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

SENATE

FOOD STANDARDS AMENDMENT (TRUTH IN LABELLING LAWS) BILL 2009

EXPLANATORY MEMORANDUM

(Circulated by authority of Senator N Xenophon)

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1. Background:

The purpose of this Bill is to amend the *Food Standards Australia New Zealand Act 1991* (the Act) to require the Food Standards Australia New Zealand (the Authority) to develop and approve certain food labelling standards that producers, manufacturers and distributors are required to adhere to. The standards will require greater detail about the content of food products including the use of imported ingredients. They will ensure, among other things, that the word “Australian” will only apply in relation to food that is 100% produced in Australia from Australian products.

2. Short Title

This clause is a formal provision and specifies the short title of bill once enacted as the *Food Standards Amendment (Truth in Labelling Laws) Act 2009*.

3. Commencement

This clause provides for the commencement of the Act in accordance with the dates provided in Column 2. Sections 1 to 3 of the Act and anything else in the Act not elsewhere covered by the table provided are to commence on the day on which the Act receives the Royal Assent. Schedule 1 of the Act is to commence 28 days after the day on which it receives the Royal Assent.

4. Schedule(s)

Clause 3 is a formal clause and provides for the schedule(s) to the bill to amend existing legislation (see **Schedule 1** section below).

5. Schedule 1

Schedule 1 amends the *Food Standards Australian New Zealand Act 1991* by providing for the insertion of a new section after section 16 of the Act.

6. Section 16A Matters for which standards must be developed and approved

Section 16A requires the Authority to develop and approve labelling standards that require producers, manufacturers and distributors of food to implement more accurate labelling regarding the use of the word “Australian” in relation to food products and the inclusion of imported ingredients in such food products. Paragraphs 16(1)(a), (b), (c), (d) and (e) set out the relevant requirements for producers, manufacturers and distributors of food.

Paragraph (1)(a) provides that that producers, manufacturers and distributors of food may only use the word “Australian” in relation to the food if it is wholly produced in Australia.

Paragraph (1)(b) provides that, subject to paragraph (c), where the food contains one or more imported ingredients, this must be stated on the front label of the relevant food and be of a size of at least 15mm.

This is to ensure that consumers are well-informed of the imported ingredients of the product they are purchasing.

Paragraph (1)(c) sets out the labelling requirements for juice, juice drink or any other drink containing juice.

Where the relevant juice product contains one or more imported ingredients, the percentage amount of those ingredients must be displayed on the front label of the product container in a size of at least 25mm. Where the relevant product contains juice concentrate, the inclusion of that concentrate must be displayed on the front label of the product container in a size of at least 25mm.

This is intended to make it clear to consumers of the product that the juice they are purchasing is not wholly Australian or is not 100 percent fresh juice.

Similarly, paragraph (1)(d) requires that where the product contains juice derived from orange skins, either in whole or in part, the juice must not be described as "orange juice".

Finally, paragraph (1)(e) provides that that the product container and the product label are not to be included in any calculation of the percentage of Australian content in the product.

Subsection 16(2) provides that standards developed and approved by the Authority under subsection (1) (as outlined above) are not subject to existing requirements on the Authority with respect to development and approval of standards.

Paragraphs (3)(a) and (b) provide that subsection (2) does not prevent the Authority from revoking a standard developed and approved under subsection (1) and developing and approving a new standard to replace that standard, or developing and approving a variation of a standard developed and approved under subsection (1) or paragraph (3)(a).

Subsection (4) provides that Part 3 of the Act apart from Division 3 and sections 102 to 106 are applicable to a standard or a variation of a standard developed and approved under subsection (3) .

Subsection (5) stipulates that at all times labelling standards in accordance with paragraphs (1)(a), (b), (d) and (e) and subparagraphs (1)(c)(i) and (ii) must be in force. That is, at all times, a standard which reflects greater detail about the inclusion of imported ingredients in a product must be in force.