



**Submission to National Food Plan Unit  
on the  
Issues paper to information the development of  
a national food plan**

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## **ABOUT CHOICE**

CHOICE exists to unlock the power of consumers. Our vision is for Australians to be the most savvy and active consumers in the world.

As a social enterprise we do this by providing clear information, advice and support on consumer goods and services; by taking action with consumers against bad practice wherever it may exist; and by fearlessly speaking out to promote consumers' interests - ensuring the consumer voice is heard clearly, loudly and cogently in corporations and in governments.

To find out more about CHOICE's campaign work visit [www.choice.com.au/campaigns](http://www.choice.com.au/campaigns) and subscribe to CHOICE Campaigns Update at [www.choice.com.au/ccu](http://www.choice.com.au/ccu).



## **Introduction:**

CHOICE appreciates the opportunity to provide the following comments to the National Food Plan Unit on the *Issues paper to inform the development of a national food plan* (the Issues Paper).

The development of a national food plan offers a rare chance for representatives of government portfolios, industries and public health and consumer groups to work together to ensure that Australians continue to have access to a safe and nutritious food supply that meets their needs and preferences.

A whole-of-government approach to the food chain is a challenging task but CHOICE is confident that a genuinely comprehensive national food plan can produce long term benefits for consumers, public health and Australia's food supply industries.

CHOICE has long been involved in food policy and we have advocated for the right of Australian consumers to access affordable and nutritious food. While we appreciate the importance of encouraging productivity and resilience among food producers, we are mindful that the national food plan process should not prioritise productivity in isolation from or above the needs of consumers and public health concerns.

Without consumers, there is no food supply chain, and CHOICE believes that a national food plan should therefore place consumers front and centre.

CHOICE's submission focuses on the overarching consultation questions, highlighting those issues that relate to consumer interests.

## **Question 1: What is the most important thing you think a national food plan should try to achieve?**

The most important thing a national food plan can achieve is promoting a food supply chain that meets the needs and preferences of consumers.

Consumers need access to safe, nutritious and affordable food. Although the National Food Plan Issues Paper states that Australia is food secure,<sup>1</sup> CHOICE is concerned that an understanding of food security based solely on the volume of food produced does not consider whether the nutritional requirements of Australians are met. Therefore, we believe that nutrition security should be considered alongside food security in the development of the national food plan.

The national food plan offers an opportunity to develop a whole-of-government approach to the food supply that addresses the growing rate of diet-related illness. Food contributes to health and wellbeing through nourishment, and information to support healthy decisions is vitally

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<sup>1</sup> DAFF 2011, *Issues paper to inform development of a national food plan*, Department of Agriculture, Fisheries and Forestry, Canberra, 14.



important. The national food plan should contribute to goals of achieving a reduction in overweight, obesity and related diseases and improved public health outcomes.

The preferences of consumers include enjoyment and variety. Consumers also have religious dietary requirements and many consumers feel strongly about animal rights, the environment and fair trade issues. By responding to consumer preferences, food producers can retain value and increase their market share.

A national food plan can help align policy-making and regulatory processes along the nation's food supply chain with consumers' needs and preferences to ensure that public health outcomes are improved and retain value in food producing industries.

## **Question 2. What do you think the vision and objectives for a national food plan should be?**

The national food plan's vision should be that all Australian consumers have access to a secure supply of safe, affordable and nutritious food. This vision should recognise that the food supply chain includes production, manufacturing, retail, marketing, trade, consumption and waste.

The overarching objective of a national food plan should be that all Australian consumers have the opportunity to choose and consume a nutritious diet comprised of safe, affordable and environmentally sustainable food from a prosperous system.

An important objective of a national food plan is to reduce the incidence of diet-related ill health.<sup>2</sup> Social equity should be a focus of the food plan and it should aim to ensure that Australians from all socio-economic backgrounds can access nutritious food. This is particularly important in relation to the use of the term 'food security', as evidence shows that people from lower socio-economic backgrounds have higher rates of overweight and obesity<sup>3</sup> and are at a greater risk of diet-related disease as a result.<sup>4</sup> While there may be a sufficient volume of food to feed the population, not all Australians have access to nourishing food.

A further central objective is the promotion of competition and resilience in Australia's food industry. In order to maintain fair costs and prices for producers and consumers, a national food plan must drive innovation. A resilient food industry will remain competitive, vibrant and profitable over the long term. Importantly, it will identify, respond and adapt to challenges strategically, including by responding to consumer concerns, increasing production and embracing innovation.

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<sup>2</sup> See eg PMSEIC (2010). Australia and Food Security in a Changing World. The Prime Minister's Science, Engineering and Innovation Council, Canberra, Australia, 18 for a snapshot of diet-related ill health.

<sup>3</sup> Australian Bureau of Statistics (2008) *4719.0 Overweight and Obesity in Adults, Australia, 2004-05* <http://www.abs.gov.au/AUSSTATS/abs@.nsf/Latestproducts/4719.0Main%20Features22004-05?opendocument&tabname=Summary&prodno=4719.0&issue=2004-05&num=&view=> accessed 1 September 2011.

<sup>4</sup> PMSEIC (2010). Australia and Food Security in a Changing World. The Prime Minister's Science, Engineering and Innovation Council, Canberra, Australia, 18.



The national food plan should also produce consistent and complementary policy and regulatory approaches across all portfolio areas to ensure a viable food industry, protect the environment, ensure sustainability and promote trade.

**Question 4: What does food security mean to you? How would this be achieved? How would we know if/when we are food secure?**

CHOICE agrees with the UN FAO's definition of food security: *When all people, at all times, have physical, social and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life.*<sup>5</sup>

The Issues Paper identifies three elements of food security:

1. Physical availability;
2. Economic and physical access; and
3. Stability of availability and access over time.

The Prime Minister's Science, Engineering and Innovation Council's report *Australia and Food Security in a Changing World* describes two additional elements of food security:

4. Acceptability, relating to the way food is produced to meet consumer expectations; and
5. Adequacy, which requires food to be safe, nutritious and sustainably produced.<sup>6</sup>

These additional elements are of critical importance to consumers, whose needs and preferences should be the focus of the food plan.

As mentioned above, 'nutrition security' is an important concept. The national food plan should ensure that there is not only enough food on a volume basis but also that Australians have access to sufficient food to meet their nutritional needs.

CHOICE approaches food security from a consumer perspective and we recognise that what matters most to consumers is that they have access to a safe, healthy and affordable food supply whether it is produced domestically or imported. CHOICE recognises that trade plays an important role in Australia's food supply and we believe that food security should not be used as a proxy for protectionist measures. While some consumers have demonstrated a willingness to pay a premium for Australian produce, the availability of imported foods, within an appropriate

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<sup>5</sup> DAFF 2011, *Issues paper to inform development of a national food plan*, Department of Agriculture, Fisheries and Forestry, Canberra, 9.

<sup>6</sup> PMSEIC (2010). *Australia and Food Security in a Changing World*. The Prime Minister's Science, Engineering and Innovation Council, Canberra, Australia, 9.



regulatory framework, encourages Australian food producers and manufacturers to innovate and compete on price.

Food security is inextricably linked to environmental sustainability, as Australia is confronting for example in the decline of the Murray-Darling Basin River system, and the looming impacts of climate change. Environmental sustainability also extends to issues around food packaging, waste and associated greenhouse gas emissions.

**Question 5: What are the most important benefits that Australian consumers get or should get from our food supply? Why?**

The food supply should meet the needs and preferences of consumers because without consumers, the food supply chain would not exist. As outlined above, consumer needs include access to a balanced range of foods that enable people from a variety of socio-economic and cultural backgrounds to maintain a healthy diet. This is important in addressing diet-related illnesses linked overweight and obesity, as well as malnourishment.

Enjoyment of food is also an important benefit that consumers derive from our food supply. Food is central in culture and consumers make decisions based on taste.

**Question 6: What two or three actions:**

**- by the government sector would most benefit food consumers?**

The government sector should ensure that consumers have access to sufficient information to make healthy decisions about the food they eat. Australians require confidence that food regulation and food businesses provide a safe and secure food supply, a wide variety of high-quality food products as well as effective information that enables healthy and environmentally sustainable choices.

Consumers would benefit most from improved food labelling to support healthy decision making and CHOICE has made a detailed submission to the Review of Food Labelling Law and Policy. If the development of a national food plan is to be a genuinely whole-of-government process, it should reflect - and where appropriate, facilitate - governmental responses to the recommendations contained in the final report of the review, *Labelling Logic*.<sup>7</sup>

Public education is also essential and CHOICE believes that consumers would benefit from government investment in innovative education campaigns that drive engagement. A good

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<sup>7</sup> CHOICE (2010) Submission to Food Labelling Review Panel on the Issues Consultation Panel available at <http://www.foodlabellingreview.gov.au/internet/foodlabelling/publishing.nsf/Content/submissions-public>.



example is the Stephanie Alexander Kitchen Garden Program which teaches children in participating schools about growing, harvesting and preparing foods through active involvement.<sup>8</sup>

Consumers would benefit from greater consistency in regulation including, for example, the removal of loopholes around genetic modification and country of origin labelling. CHOICE also believes that better monitoring and enforcement of existing food regulations would greatly benefit consumers.

**- by the non-government sector would most benefit food consumers?**

CHOICE would like to see the food industry recognise that health and wellbeing are consumer priorities and respond accordingly through innovation and product development. Consumers would also benefit from food manufacturers ensuring that they provide sufficient and meaningful information through the labelling of their produce and products.

CHOICE is aware that some self-regulation initiatives have driven reformulations of processed foods with resulting benefits for consumers, such as the AWASH salt reduction campaign.<sup>9</sup> However, we are mindful of the limits of such voluntary initiatives. CHOICE therefore believes that regulation is needed where the food industry fails to meet consumer needs.

**Question 9: What specific food policy and regulatory functions within or between governments:**

- overlap?
- are at cross-purposes?
- have gaps?

Regulation of food labelling in Australia has both overlaps and gaps, particularly in monitoring and enforcement. FSANZ and the ACCC have responsibility for different areas of food labelling and consumers have advised CHOICE that their complaints are sometimes passed between the regulators without being resolved to the consumer's satisfaction.

FSANZ has three statutory objectives in s 18 of the *Food Standards Australia New Zealand Act 1991* (Cth). CHOICE recognises that the regulator is a world leader in protecting public health and safety. However, we feel that the regulator overlooks the objectives of providing adequate information to help consumers make informed choices and preventing misleading and deceptive conduct.

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<sup>8</sup> See <http://www.kitchengardenfoundation.org.au/> accessed 1 September 2011.

<sup>9</sup> See [www.awash.org.au](http://www.awash.org.au) accessed 1 September 2011.



Food is different to many other consumer goods because it is essential, central to consumer health and wellbeing. Given this, the consequences of inconsistent food regulation, and by the same measure, the benefits of streamlined regulation, are significant for consumers.

There are significant gaps in regulation which currently prevent informed decision making. For example, CHOICE would like to see greater leadership from government in the development of Australian Standards, using the successful examples of organic and extra virgin olive oil standards to drive developments in areas like free range poultry farming.

**Question 17: Do you see a role for the food industry in supporting population health and nutrition outcomes? If so, what do you believe that role is and what support might industry need in fulfilling this role?**

The primary role of the food industry in relation to population health and nutrition outcomes is compliance with relevant regulations in the production and manufacturing of food. CHOICE believes there are also many opportunities for members of the industry to support health and nutrition outcomes through voluntary initiatives such as sodium reduction commitments as mentioned above.

However, as consumers take a greater interest in nutrition and diet-related health, they will increasingly demand healthier foods. CHOICE believes that where markets fail to deliver on these demands, government intervention is necessary to support health and nutrition outcomes. It is therefore in the interests of the food industry to work with public health experts and government to produce food products that support population health and nutrition outcomes

Government bodies can provide assistance to industry through the development of standards, as the experiences with extra virgin olive oil and organic standards demonstrate. To be effective, however, standards must be referenced in appropriate legislative instruments such as the Australian Consumer Law and the Food Standards Code. Regulatory bodies should be resourced appropriately to monitor and enforce standards.

**Question 18: Some food industry sectors have developed tools to demonstrate desirable product attributes to consumers, for example through organic or environmental certification. Do you know of any examples of food supply markets that are not adjusting to evolving consumer demands (that is, potential market failures)? What are they and how could they be encouraged to adjust (that is, not fail)?**

CHOICE is aware of a number of difficulties that have arisen with industry certification schemes seeking to convey to consumers a message about desirable attributes of food products. Such schemes rely on agreed definitions which manufacturers may adopt but these definitions do not have legal force. Consumers have little access to information about the certifying body at the



point of sale, and in some cases there are often numerous certifying bodies which makes it difficult to know whether various standards meet the consumer's expectations.

Egg labelling is a good example of the shortcomings of industry certification. A growing number of consumers are willing to pay a premium for products with 'free range' claims but there is no agreement among industry as to what constitutes 'free range'. As the Food Labelling Review Panel noted in its final report, there is a 'lack of clarity in the marketplace' around terms such as free range, for which there are at least six different certification schemes.<sup>10</sup> The Panel supported consideration of standardising terms relating to poultry production.

CHOICE knows that animal welfare issues are important to many consumers and the increasing number of foods bearing claims like 'free range', 'cage free', 'barn laid' and 'grass fed' shows that the food industry is aware of this. We also know that with wide variations in the standards behind these claims, consumers can't be sure that the product they are buying meets their expectations.

By way of contrast, while organic labelling also involves numerous certification schemes, a definition of 'organic' has been developed by Standards Australia, and the certifying bodies must apply this definition or risk an action for misleading and deceptive conduct. While this is a positive move, CHOICE believes that the organic standard should be referenced in the Food Standards Code to be truly effective, thereby enabling effective compliance.

As we have noted in previous submissions, CHOICE supports the use of Australian Standards to regulate some aspects of labelling, provided they are referenced in the Food Standards Australia New Zealand Act 1991 and/or the Food Standards Code which would make them mandatory.

### **Question 30: What are the top consumer priorities in product innovation over the next 5, 10 or 20 years?**

The top consumer priority in food innovation in the future is to have access to safe, affordable and nutritious food. These broad concerns should be taken into account by food manufacturers and governments in terms of funding for research and development in the food industry.

CHOICE believes that it is important to be mindful of the dangers in assuming what consumers want. The Australian Government should undertake research to determine the consumer priorities for product innovation in the future in order to allocate research and development funding for the greatest consumer benefit.

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<sup>10</sup> Commonwealth of Australia (2011) *Labelling Logic* available at <http://www.foodlabellingreview.gov.au/internet/foodlabelling/publishing.nsf/Content/labelling-logic> accessed 1 September 2011.



**Question 36: How could the tension between new technology adoption (such as biotechnology or nanotechnology) and public concerns about possible associated risks best be managed?**

CHOICE is aware that many consumers have concerns over the use of new technologies in food production, including nanotechnologies, genetic modification and irradiation. CHOICE believes that such concerns are partly the result of a lack of information about these technologies and reluctance by food manufacturers to be transparent about using these technologies.

Whilst consumer education may help reduce concerns by explaining that some new technologies carry low risks and offer advantages in food production, CHOICE believes that many Australian consumers have developed a degree of suspicion in regard to these technologies based on the historical absence of accessible evidence.

CHOICE believes that labelling is the best option to address the tension between the use of new technologies and public concerns about potential risks. Effective labelling allows those consumers who have concerns about the possible effects of new technologies to choose accordingly. CHOICE's submission to the Review of Food Labelling Law and Policy provides more detail on our views regarding new technologies.<sup>11</sup>

**Question 45: What else could governments or non-government groups do to promote economic and social sustainability of food production, processing, or distribution (including resilience to economic or other shocks)?**

The development of a national food plan offers an important opportunity for the different areas of government to communicate over policies that cross portfolio boundaries. As already noted, the future health of Australia's food supply chain is inextricably linked to environmental sustainability, for example in the decline of the Murray-Darling Basin River system, and the looming impacts of climate change. Environmental sustainability also extends to issues around food packaging, waste and associated greenhouse gas emissions.

CHOICE believes that challenges around environmental sustainability are further reflected changing consumer preferences, with consumers increasingly engaging with what are often termed 'values' issues. It is therefore in both the short-term and long-term interests of industry and consumers to ensure that food production is environmentally sustainable into the future.

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<sup>11</sup> CHOICE (2010) Submission to Food Labelling Review Panel on the Issues Consultation Panel available at <http://www.foodlabellingreview.gov.au/internet/foodlabelling/publishing.nsf/Content/submissions-public>, 33-36.



**Question 48: What (if any) contribution could action on food waste make to improving the sustainability of Australian food supply chains? What are the best opportunities to reduce Australia's generation and landfill disposal of food? Are these subject to market failures (that is, the private sector does not have commercial incentives to better manage food waste)?**

It is essential that a national food plan consider food waste in our food supply chain. Reducing waste improves margins for producers and manufacturers, therefore lowering prices for consumers. Further, reducing waste has environmental benefits because it minimises landfill and associated pollution. CHOICE would be pleased to see a national food plan embrace initiatives like OzHarvest which not only redistribute 'wasted' food and thereby benefit social equity but also provide information to industry participants so that they can minimise the amount of produce that goes to waste.<sup>12</sup>

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<sup>12</sup> See <http://www.ozharvest.org/> accessed 1 September 2011.