



24<sup>th</sup> August 2011

Food Standards Australia New Zealand  
PO BOX 7186  
Canberra BC ACT 2610

**Re; Response to proposal P1011- Country of Origin Labeling – Unpackaged Meat Products**

The Australian Lot Feeders' Association (ALFA) appreciates the opportunity to respond to the Food Standards Australia New Zealand (FSANZ) proposal to extend Country of Origin Labelling (CoOL) to unpackaged meat products.

ALFA is the peak national body representing the interests of the cattle lot feeding sector. There are approximately 600 accredited feedlots in Australia. The industry has a value of production of \$2.7 billion and employs some 9000 people directly and indirectly. Nearly 40% of Australia's total beef supply, 80% of beef sold in domestic supermarkets and the majority of beef industry growth over the last 10 years has been due to the expanding cattle feedlot sector.

ALFA's policy in relation to CoOL is to support the principle of mandatory Country of Origin Labeling for all beef and beef products imported into Australia – whether packaged or unpackaged.

With the advent of the change in the Federal Government's Bovine Spongiform Encephalopathy (BSE) policy in March 2010, there is potential for increased imports of beef (particularly when domestic beef prices exceed import parity levels). Whilst beef imports are likely to remain small given Australia's competitive advantage in supplying the domestic market, our members nonetheless believe that consumers should be able to distinguish Australia's beef and beef products from foreign imports at a retail level. The provision of such labelling we believe would enable informed purchasing decisions to be made by consumers whilst engendering trust and confidence that they can select Australian beef with the robust industry systems and programs that stand behind it. These systems and programs are not only world leading but have a proven history of delivering strong food safety, product integrity and ethical stewardship from an environment and animal welfare perspective.

In FSANZ's report and supporting documentation, the following conclusions are pertinent with respect to the issue;

- The majority of Australian consumers (64%) indicated they are *not aware* of the origin of their beef when purchasing it at retail markets;
- Roughly 70% of Melbourne and Sydney consumers believe that it is at least 'quite' important to be provided with information on CoOL, particular in the context of fresh food;
- There are possible market failure issues, specifically related to asymmetric information with respect to CoOL;
- The costs of implementing mandatory CoOL for unpackaged meat is unlikely to be large given that several major retailers are already undertaking the practice;
- Mandating CoOL for unpackaged meat would address the current inconsistency that exists at a retail level regarding packaged and unpackaged meat and meat products.

Accordingly, ALFA is supportive of Option 2a. ie the development of a draft food regulatory measure to extend CoOL requirements to unpackaged beef, sheep and chicken meat.

Yours sincerely,

Dougal Gordon  
CEO