

9 March 2001
14/01

STATEMENT OF REASONS

ABANDONMENT OF PROPOSAL P90 - COUNTRY OF ORIGIN LABELLING OF FOOD

ANZFA has been reviewing country of origin labelling (Proposal P90) since 1992. During the time that ANZFA has been reviewing country of origin labelling for food, several Federal Court decisions on the *Trade Practices Act (1974)* (TPA) created uncertainty about the meaning of 'Made in Australia' and 'Product of Australia' for goods generally. These developments affected ANZFA's ability to complete the review of country of origin labelling of food.

In 1997 ANZFA released an Interim Inquiry Report on Proposal P90 for public comment. This Report canvassed a three tiered approach to mandatory country of origin labelling that would apply to products claiming Australian origin.

Since then the Commonwealth Government has amended the TPA to establish a legislative compliance regime for country of origin claims. The amendments made to the TPA by the *Trade Practices Amendment (Country of Origin Representations) Act 1998* came into effect on 13 August 1998. This compliance regime applies to representations that goods are 'Made in' a particular country as well as the premium 'Product/Produce of' label.

As a result of the public comment received on ANZFA's Interim Inquiry Report, as well as the increased clarity and protection afforded by the recent amendments to the TPA, ANZFA does not consider it appropriate to continue with the previous proposal. ANZFA has decided to abandon P90 and develop a new proposal to ensure that all stakeholders have an equal opportunity to comment on any new approach. The new proposal to review all of the existing country of origin labelling provisions in the Food Standards Code will be part of the broader Review of the Code through which ANZFA is developing a joint *Australia New Zealand Food Standards Code*.

An Issues Paper for the new Proposal P237, for the review of country of origin labelling will be released for public comment on 9 May 2001. Comments on Proposal P237 are required by **4 July 2001**.