17 March 2023

Industry Growth Division Department of Industry, Science and Resources GPO Box 2013 Canberra ACT 2601 via email: <u>OriginLabelling@industry.gov.au</u>

ARA SUBMISSION REGARDING MANDATORY COUNTRY OF ORIGIN LABELLING FOR SEAFOOD IN HOSPITALITY

The Australian Retailers Association (ARA) welcomes the opportunity to provide comments to the Department of Industry, Science and Resources in response to its issues paper on mandatory country of origin labelling (CoOL) for seafood in hospitality settings.

The ARA is the oldest, largest and most diverse national retail body, representing a \$400 billion sector that employs 1.3 million Australians – making retail the largest private sector employer in the country. As Australia's peak retail body, representing more than 120,000 retail shop fronts and online stores, the ARA informs, advocates, educates, protects and unifies our independent, national and international retail community.

We represent the full spectrum of Australian retail, from our largest national and international retailers to our small and medium sized members, who make up 95% of our membership. Our members operate across the country and in all categories - from food to fashion, hairdressing to hardware, and everything in between.

The ARA has a number of large members in the quick service restaurant (QSR) sector that would be impacted by the proposed regulations.

Our response considers the questions raised in the department's issues paper, noting that not all questions are relevant to ARA members.

COMMENTS ON THE ISSUES PAPER

Q2. Do you think the terms 'Australian', 'imported' or 'international' and 'mixed origin' are easy to understand?

Yes, these terms are easy to understand.

Q3. Do you think business should have some flexibility in how they provide origin information?

In principle, the ARA supports flexibility so that businesses can provide this information in a way that suits their business model and customer base.

Q4. Are you already providing seafood origin information to consumers? If so, how are you doing this?

Yes, most of our QSR members operate businesses in the Northern Territory, where hospitality businesses are already required to include country of origin labelling for seafood on menus.

Q5. How do you think the proposed model for seafood CoOL would impact your business? This includes benefits, impacts on processes, costs and customer experience.

The main impact would be the cost associated with this model would come from having to regularly update menus as the country of origin for seafood often changes depending on market conditions.

Q6. What would be your preferred way to display seafood origin information?

ARA members would prefer to use shorthand or iconography to display this information so as not to create cluttered or overwhelming menus for customers. Unlike in other hospitality settings where customers have time to sit down and carefully consider menu items, in quick service restaurant settings, customers want to make a decision and order as quickly as possible. For this reason, menus need to be simple and readable from a distance.

For seafood to be labelled as 'Australian', it will need to have been harvested in Australia's territorial seas, or Australian freshwater bodies, or farmed onshore. Australia's territorial seas extend to Australia's Exclusive Economic Zone at 200 nautical miles from the Australian coastline.

Q10. Can you access accurate information to be able to apply this description of 'Australian' to seafood? For example, product ordering lists, invoices, supply documents.

Seafood origin information is already known to businesses for the purpose of complying with food safety regulations.

Q18. How long should businesses have to introduce seafood CoOL and why?

Businesses should be given at least 12 months to introduce the changes. This will allow for news of the changes to reach all impacted businesses and for businesses to take steps to ensure compliance. Consideration should be given to providing a longer implementation time for small businesses.

Q19. How could the government help business and consumers understand and adapt to the new labelling rules?

The ARA recommends that the government work with industry associations to distribute information to hospitality businesses over a period of several months. For example, the government could provide copy and graphics for industry associations to include in newsletters and social media posts. The ARA would be happy to promote the changes through its channels.

Thank you again for the opportunity to provide a submission to the department on this important issue. We look forward to further engagement.

Any queries in relation to this submission can be directed to our policy team at policy@retail.org.au.

Yours sincerely,

Paul Zahra Chief Executive Officer