



STATE DEVELOPMENT AND REGIONAL INDUSTRIES COMMITTEE

Members present:

Mr CG Whiting MP—Chair
Mr MJ Hart MP
Mr RI Katter MP
Mr JJ McDonald MP
Mr TJ Smith MP

Members in attendance:

Mr SA Knuth MP
Ms A Leahy MP

Staff present:

Ms S Galbraith—Committee Secretary

PUBLIC HEARING—INQUIRY INTO THE FOOD (LABELLING OF SEAFOOD) AMENDMENT BILL 2021

TRANSCRIPT OF PROCEEDINGS

TUESDAY, 1 MARCH 2022

Cairns

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The committee met at 8.35 am.

CHAIR: Good morning. I declare open this public hearing for the committee's inquiry into the Food (Labelling of Seafood) Amendment Bill 2021. My name is Chris Whiting. I am the member for Bancroft and chair of the committee. I would like to respectfully acknowledge the traditional custodians of the land on which we meet today and pay our respects to elders past, present and emerging. We are fortunate to live in a country with two of the oldest continuing cultures in Aboriginal and Torres Strait Islander people, whose lands, winds and waters we all share.

With me here today are committee members Mr Jim McDonald, the deputy chair and member for Lockyer; Mr Michael Hart, the member for Burleigh; Mr Tom Smith, the member for Bundaberg; and Mr Robbie Katter, the member for Traeger. Ms Ann Leahy, the member for Warrego, may be here for part of the hearing; and Mr Shane Knuth, the member for Hill, will be participating in the hearing today with the leave of the committee.

This hearing is a proceeding of the Queensland parliament and is subject to the parliament's standing orders and rules. Only the committee and invited witnesses may participate in the proceedings. Witnesses are not required to give evidence under oath or affirmation, but I remind witnesses that intentionally misleading the committee is a serious offence. You may be filmed, photographed or recorded during the proceedings and images may also appear on the parliament's website or social media pages. Media may be present and are subject to the committee's media rules and the chair's direction at all times. Please turn off your mobile phones or switch them to silent mode. In line with Queensland's COVID-19 requirements, all members and witnesses will be required to wear a mask during today's proceedings. Members and witnesses may remove their masks when speaking.

RUSCOE, Ms Jo-Anne, Executive Officer, Australian Barramundi Farmers Association

CHAIR: Jo-Anne, thank you for coming along. Feel free to make an opening statement, after which we will have some general questions for you.

Ms Ruscoe: Thank you very much, Chris and committee, for this opportunity. The Australian Barramundi Farmers Association strongly supports the Food (Labelling of Seafood) Amendment Bill 2021 for consumers to be able to have transparency and choice, for a fair playing field for Queensland producers and to address clear market failures in the current voluntary systems. Consumers want information on country of origin, no matter where they purchase their seafood. Numerous studies that I have highlighted in our submission point to that evidence. Seventy-four per cent of consumers regard identifying country of origin as either important or very important. However, consumers cannot buy Australian seafood if they cannot tell where it is from.

The review of the food labelling law and policy identified the need to monitor for market failure in the provision of consumer value information such as origin to be extremely important. Market value currently exists and there is a need for legislative intervention. There are vested interests within food service and supply chains in creating an information barrier for consumers when the information is considered to be not positive. When the information is positive—that is, when it is locally produced product—there is ample opportunity and evidence of promotion of that on menus.

It has been demonstrated that that system does not work currently. Asking food service staff for information has proven to be ineffective. An example from last week is when I went to a local restaurant and asked where the barramundi was from. I had a sneer from the waiter who said, 'I will go and ask the chef.' He came back and said, 'The chef said it is from the ocean.' It would seem that there are arguments from the food service sector around a voluntary system that encourages training of staff, but there is no evidence that that is occurring and there is no evidence that it is successful.

There is evidence on the price differential. In the case of barramundi, when the imported product comes in at half the cost to restaurateurs compared to the local product and there is no advantage in promoting origin, then that information is not provided to consumers.

I want to say that the food service sector is our partner. We fully understand, as our members also understood during COVID, that these are extremely tough times. We really feel that the bill is flexible, it is sensible and it is not burdensome. There will be some cost, but I would like to remind the committee that every piece of seafood that comes to the back door of a restaurant, a hotel or a fish and chip shop is labelled as to its origin. That regulatory burden is already covered by every seafood producer in Queensland. As a consumer and a representative of this exciting sector in Queensland and Northern Australia, the barramundi farming sector, I strongly support this bill.

CHAIR: We heard from some of your industry members yesterday. One of the things that has become clear from this inquiry is that the barramundi has almost mythical status amongst seafood consumers. They want it because of its reputation as an Australian icon in many ways. However, from what we understand, a great deal of the barramundi they are eating is not Australian produced. Do you think consumers would be surprised or shocked to find out the origin of the barramundi they have paid top dollar for?

Ms Ruscoe: It is not what we think; it is what we know through the market surveys that have been done. Consumers expect barramundi to be Australian. It is taking advantage of those assumptions at the food service level that is the issue we want to address here. I would be hesitant to say 'a great deal' of barramundi that is eaten is mislabelled. I would not say that.

CHAIR: 'A portion of it', shall we say?

Ms Ruscoe: A portion of it. We have evidence of that. We have adopted new technology and we have gone out and done market surveillance. There is evidence that there is mislabelling or accidental mislabelling—whether it is on purpose or accidental. Australian barramundi is our iconic fish in my opinion. Yes, people assume it is Australian.

CHAIR: What about at the federal level? I know that some action has happened across the nation and there has been a fair bit of effort aimed at the federal government in recent times. Can you outline what your association has done in Canberra to try to push for these changes as well?

Ms Ruscoe: We have been vocal for many years on country of origin labelling. There is so much opportunity for Australia's seafood industry. I think there is a perception that the seafood industry is in decline or is stabilising, but I really reject that. I think there is so much opportunity for the industry. Differentiation, we see, is one of the most fundamental things for Australian consumers and tourists to support the industry, and people want to. When mandatory labelling came into the retail sector, Australian barramundi went from 150 tonnes in the retail sector to 4,000 tonnes. That was not done through altruism by the retailers and supermarkets; it was done because it was mandated. Australian consumers chose to spend the money and buy the Australian product.

Mr McDONALD: Yesterday we heard from Tim Bade about the exciting opportunities for barramundi fishing. I was concerned about a couple of things, aside from this bill. There are restrictions on farmed barramundi in terms of the size they must achieve and then the product that goes to market and the difficulty that presents regarding imported product, which is not a slab but maybe a 300-gram fillet. Do you think having the 'I' on imported product will make a big difference to that challenge?

Ms Ruscoe: I am not sure I really understand in a nutshell the challenges that you are alluding to.

Mr McDONALD: Your industry partners, the restaurants, have the opportunity to buy a 300-gram piece of imported barramundi versus a larger fillet of fish that they or the farmer portions. Do you think the 'imported' stamp on the product will change your partner's behaviour?

Ms Ruscoe: We do not vilify imported product whatsoever. There is certainly a place in the market for imported seafood. I want people, no matter their economic status, to eat seafood. It is incredibly healthy. There is no issue on that.

The issue is around transparency and choice. Consumers have demonstrated time after time that they will make a choice but they need to make an informed choice. When there is doubt, often the choice is, 'Well, I won't eat seafood.' In talking about the opportunities for the industry, just this week the Queensland department of fisheries released the latest production data. The aquaculture industry in Queensland has grown 25 per cent over the past 12 months. There is so much opportunity for the industry. The opportunity to have choice is all we are asking for—choice and transparency.

Mr McDONALD: I think it was your submission that identified that 50 per cent of consumers do not realise they are actually eating something that is not Australian barramundi. Was that your survey?

Ms Ruscoe: Yes—whether it is 50 per cent or 74 per cent, without looking it up. There is a very high percentage of people who do not know where it is from, but they assume it is Australian. That is the point that we rest on.

Mr McDONALD: Because of the name ‘barramundi’?

Ms Ruscoe: That is right, and also because it is sold in Queensland at our coastal towns. When you have a fish and chip shop right next to a port where the boats are pulling in and you are selling imported product, that is clearly misrepresentation. Clearly the assumption of consumers should be fulfilled.

Mr McDONALD: Some of the submissions against the bill said that introducing the labelling process or country of origin process would be onerous and too costly for restaurants to put in place. Could you comment on that?

Ms Ruscoe: Certainly I will give a comment. In the NT there is country of origin labelling through the food service sector. The NT experience shows that the cost to the food service sector to implement and comply with the legislation was generally not significant and businesses appeared to adjust quickly, with the vast majority being in a position to comply with the legislation within a month of its implementation. There was growth in category across imported and domestic product in the NT as a result of the changes.

Mr McDONALD: That is something that you would be hoping to happen here?

Ms Ruscoe: Absolutely, and I would expect it to happen here, too.

Mr SMITH: Ms Ruscoe, I think this is a bill that a lot of people can agree with, but when it comes down to the practicalities that is when it gets a little more difficult and tricky. What do you foresee as being the positive outcomes should this bill become law?

Ms Ruscoe: I believe that Queensland consumers and tourists will celebrate Australian seafood and, in particular, Queensland seafood. I think there is a real opportunity here to promote Queensland seafood and to grow the reputation of the industry. As I said, our sector alone has grown 24 per cent in the past 12 months, creating jobs in regional Australia. They are not temporary jobs; they are permanent jobs. Why wouldn't Queensland take the opportunity to celebrate and grow the seafood industry, which is so integral to our self-identification? We go to the coast and we get seafood and we expect it to be Australian.

Mr SMITH: The statistics say that 70 per cent of seafood consumed in Australia is imported currently. Is there a lack of global supply to meet the demand for seafood, is there room to grow or is it simply that it is cheaper for businesses to get imported seafood? What is the balance there?

Ms Ruscoe: There is opportunity for the Australian seafood industry to grow. I do not have it in front of me, but the Northern Australia CRC studies show that there is the opportunity to double production. There is opportunity to diversify in terms of the product and added value across different sectors, although I will not speak in great detail on a sector that I do not represent.

Imported product will have a place. As I said, I want elderly people in nursing homes to eat seafood. I do not have any problem with imported, but I do have a problem when the cost differential is not passed on and is not transparent. It only happens when it is to the advantage of the food service operator and I think that is unfair. It is taking advantage of a situation but not passing on the information when it is not to their advantage.

Mr SMITH: You talk about the opportunity to grow and obviously we want as many local jobs to flow from local industries. With the way the legislation is now, you do not need to identify imported or local. Is that restricting the opportunity for the local industry to grow?

Ms Ruscoe: Yes. We see the ability to differentiate at the point of sale across the board as the biggest issue for the industry. There are others. Regulatory burden is another important one for another day.

Mr SMITH: Do you believe that, if this bill became law, the opportunity to double would come down simply by the consumer having that ability to see ‘imported’ or ‘local’ on the menu?

Ms Ruscoe: There would be a number of factors there. I would say there would be significant—I do not have the modelling to determine whether it is a 50 per cent increase. What we can see nationally is the opportunity, so in the retail sector it went from 150 tonnes of barramundi to 4,000 tonnes of barramundi and that was purely on the basis of transparency of labelling. There is nothing to say that that consumer response will not occur in the food service sector. In fact, our evidence says that when you go to a restaurant the assumption is that the seafood is premium and Australian is premium and, therefore, when you go to a restaurant you are eating Australian seafood.

McATAMNEY, Mr Shawn, General Manager, Independent Seafood Producers Fish Market; Representative, Queensland Seafood Marketers Association

CHAIR: Shawn, I invite you to give a quick opening statement and then we will follow with questions. Can you talk on the seafood labelling bill and then we will go to more questions to both you and Jo-Anne.

Mr McAtamney: Sure. Firstly, my apologies for running late. I was attending to a couple of issues.

I am a locally based retailer, wholesaler and exporter from the Cairns region. As far as this bill is concerned, for the wild-caught sector it is a very important bill and I think it is a long-overdue bill given the fact that the retail sector has been complying with naming standards for a considerable period. I am happy to field the same questions that Jo-Anne just fielded. At the end of the day, the crux of this bill is about allowing the consumer to make the choice at the dinner plate, which is no different to what they do at the retail counter. It is overdue. There are a lot of proponents who will say that doing this is too costly for the food service sector. They will ask who is going to police it and so on. I have heard it for 20 years. It is nonsense and it has to stop.

We are a retailer. We comply with the Australian naming standards and have done so for years. We do not have people coming around and policing us at the counters, asking us, 'Is this from Taiwan or is it from Australia?' The point from the wild-caught sector is that it is not about shaming imported seafood, it is not about shaming the farming sector and it is not about differentiating with Australian seafood or between wild and aquaculture. It is about allowing the consumer to turn up to the dinner plate and make a decision based on what their budget is and what they ultimately want to consume. I think that is the crux of the matter.

This bill is vital for Queensland. Obviously it has been in place in the Northern Territory for a number of years. This bill has application. I know we are talking only about Queensland, but I think it should be an Australia-wide bill, across every state. I think it will have far-reaching ramifications and not just in terms of consumption levels. I think there is also a propensity for the consumer to sit down and consume Australian seafood or what they perceive to be Australian seafood, pay Australian prices relative to what that is—and that is simply because there is a lot of Australian seafood by name that is grown offshore—and then particularly for the wild-caught sector there is a range of products that certainly suit price point and gross profits at dinner tables that the food service sector is living off at the expense of the wild-caught sector. It has been there for a long time. Certainly from my perspective, we are second generation and have 40 years in the industry and this bill is vital.

Mr HART: I just want to play devil's advocate again, as I did in Townsville yesterday. In my electorate I have a few seafood retailers and a few fishermen but mostly restaurants. When I talked to my local restaurants about the possibility of this bill, they were up in arms about it. Their peak body has made a submission, although not too many individual restaurants have. I had a seafood tower last night for dinner. How do you envisage this working where there are 20 different items on the one tray? How do you see it working if at the last minute someone had replaced locally caught prawns with imported prawns or something like that? It is the practicalities that worry me. I agree with what you are saying, but the practicalities are not enforceable. If you can enforce it, how does it help at the end of the day? Remember I am playing devil's advocate. I agree with you, but I just wanted to put that.

Mr McAtamney: I will answer as it is a seafood tower, so barramundi is going to be there. I think it is about where you start it, and I do not mean to throw you a question on a question. When you walk into that restaurant, I think the problem at the moment is that the consumer is blinded by the fact that they do not know where the seafood is coming from. It could be something like is done in the supermarket sector where the naming stands on the back for the Australian made item: 'These ingredients are 60 per cent Australian and 40 per cent imported.' If the consumer wants to dig further, that is up to the consumer; they have to ask the questions.

We serve a large sector of the restaurant and hotel trade from Port Douglas to Innisfail six days a week, so I know all of these guys well. I know the blokes that talk about the cost of reprinting menus and all those sorts of things. I say that the cost of doing business is as large on our side, too. We have a fleet on the wharf with fuel at \$2 a litre. It is time for the food service sector to pick up some costs on the ground.

As far as how they get around that, if it is a starting point it does not have to be on every last item. A seafood tower is one item. Generally on an a la carte menu that is a one product SKU. Not everybody is ordering a seafood tower. Most seafood towers in restaurants up and down the major areas of the Queensland coast will contain a large percentage of local seafood. When you get to the buffet tray, it is a completely different game. Again, I think that can be easily handled at a buffet level.

Mr HART: Some people came up to Townsville and it popped into my mind—and I discussed it with them—that there was the possibility of having an opt-in, opt-out arrangement on the menu where you say, ‘I have identified everything on my menu,’ or ‘I have not.’ As a consumer, I would be more than happy to go to a restaurant—and I would go there more often—if they told me where everything was coming from, whereas I know there are those restaurants that do not tell me those things. Would that be an option as part of this consideration of having an opt-in system that identified the whole menus as detailed, or do we need to be forcing everybody to identify this?

Ms Ruscoe: First of all, can I go back to your other questions as well? I want to say that no-one likes a mandated change. If you go into any establishment and say, ‘Would you like to accept this mandated change?’, I can guarantee you that everyone would say no. With all respect, I do not consider that to be a robust survey.

As far as the naming is concerned, for us it is the hero dish. There is a need for seafood to be treated uniquely, as you said, because 70 per cent is imported; that is the difference between beef, chicken and other forms of protein. The menu is a little more complicated, but Shawn has given you some really valid responses there. But when it is a hero dish, that is what we are talking about. The hero dish is the barramundi and the prawns—Australian.

As far as your example of where a restaurant or a fish and chip shop had to pivot and make a last-minute substitution from local to imported, would you not expect them to have to pivot on the price if the cost of the seafood is half? That was a piece of the rationale that was promoted by the association. That is exactly what we are saying. You are saying it is too hard to change the menu for imported, but you are then saying that passing on the savings is okay and it is not okay.

As far as the opt-in option goes, the evidence—and I did provide a reference in my submission—showed that where there was voluntary labelling there were perverse outcomes. Some restaurants who chose to be up-front and declare the origin of both their local and their imported product were actually disadvantaged because in the case of the restaurants that were not labelling it, the assumption was that it was all Australian. If a restaurant declared openly what was imported and what was Australian or Queensland, the assumption would then be that if you do not do that it is all Australian. That has been shown by the evidence.

In terms of the representatives from the food service sector, I am not seeing that there is a commitment to the possible solutions around training, making information available and promoting the Australian seafood industry.

Mr HART: Is your major issue the fact that the price of local product is being clouded by restaurants selling imported product for the same amount of money? Is that the main issue?

Mr McAtamney: It is devaluing the protein.

Mr SMITH: Obviously a big part of this is that if it becomes legislation there needs to be a punishment. What is a fair penalty for a restaurant the first time they do not comply and then subsequently as well?

Ms Ruscoe: I would say that the bill is really flexible. I think the bill as it is proposed gives ample time for adoption. I do not think it is onerous at all in terms of this solution.

Mr SMITH: In terms of if a check is done and the restaurant is found the first time and then subsequently to not be labelling imported protein on the menu, what does the industry believe is a fair penalty for those who do not comply with the legislation?

Ms Ruscoe: I am not in a position to say what is a suitable compliance action on another sector.

Mr McAtamney: I think you would have a warning based system and I think you would have to reference the retail sector. What is in the retail sector?

Mr SMITH: Currently, the way that the bill is drafted, a first infringement would be a \$137 fine and then subsequent infringements would be \$689. If they continue, would the industry want to see a point where a restaurant is continually fined and potentially cost that business?

Ms Ruscoe: I think Shawn answered it perfectly when he said that the producers and the retail sector currently face penalties.

Mr McAtamney: I will let the government come up with a penalty based system. It cannot be menial; otherwise it is pointless. If I am running a restaurant I will find a profit for a \$150 fine on a nightly basis, depending on the volumetrics of that restaurant. If the bill was to be passed and implemented for the food service sector, I think you would see the food service sector adapt very quickly—just the notion of knowing that someone could walk in, which is no different to someone from Cairns

trades and measures being able to walk into my retail outlet today and start weighing plastic bags behind the counter. They do that already with reasonable frequency and you have to make sure you are on top of that. I think they will find that they are on top.

Just so we are clear, in terms of the food service sector from a supply point of view, my business has to comply on my invoicing to the restaurant with stating the origin of that product. It is not like there is a whole layer of change that has to come all the way back from the importer, the wild-caught sector or the farm sector; that is already in position. It really comes down to the operator or operators or businesses that are operating the actual dining precincts to sharpen their act a little bit. I think you will find the net position of industry will be that, while the fines are important, it is also important to acknowledge there is a structure to that. I do not think it will ultimately get to that, because they will think, 'We have to tighten our book up here and make sure that if we are saying we have Australian barramundi on the menu, what is that and make sure we have it there.'

Mr SMITH: What I take from that is: there is no general consensus about what an agreed penalty should be?

Mr McAtamney: If I am speaking personally, make it a decent number so there is a general feeling within industry that 'we better sharpen our act up on substitution'. If the number is good enough, it will incentivise the food service providers to make sure they have their book in order. I think it could be \$150—perhaps for the first fine—but put a zero on it. There is nothing I get out of bed for that does not seem to have a thousand dollar bill hanging off the back of it at the moment, and then some.

Mr KNUTH: The potential cost to business and restaurants has been mentioned. If the bill is passed, do you feel restaurants in Queensland would significantly increase their demand for local seafood? Would restaurants benefit by promoting 'we have locally fresh caught seafood here' in terms of being transparent?

Mr McAtamney: It is a no-brainer.

Ms Ruscoe: Yes, absolutely I would see the benefit there.

Mr KNUTH: That is what we see this present bill is going to achieve.

Ms Ruscoe: It is what consumers want, the evidence points to it and it is what makes sense. Let's not beat around the bush: we are not talking here about an accident where someone makes an error and they did not quite get the percentage right on the seafood menu. We are talking about where there is blatant substitution and profiteering on consumers' assumptions. Consumers assume and they want the choice.

Mr McAtamney: On a broader level, in relation to the two sectors, at the moment the Queensland government is on a fast track for investment in aquaculture programs across our state. That is no secret. There is a massive flood of investment, both privately and publicly, coming into the state. In the wild-caught sector we are dying a death of a thousand paper cuts. At the end of the day, the consumer has the ultimate choice, as does the restaurant, and the restaurant will make a choice based on his or her consumer. In towns like Cairns, Gold Coast, Whitsundays and other areas I think you will find the substitution rate is costing industry the most amount of money, simply because of the dynamics of industries—and I am sure all members come from different areas. In Bundaberg there will mostly be local traffic; there will be a lot of local seafood, and I know most of the people who supply. Yes, there will be some imported substitution, and the industry cannot pick up all of the product.

You asked the question regarding 70 per cent. Can the wild-caught sector and the current aquaculture sector pick up the entire load for the food service sector? No, it cannot and we are not about saying, 'Let's get all the imported seafood and kick it out of the country.' That is not what is being debated here. It is about increasing the volume of Queensland wild and aquaculture seafood consumption in this state at a local level for the local consumer. I am sure that most of the people buying at the table have no clue. At least if they are educated enough, they can make the decision.

If a restaurant has two types of barramundi and one is from Taiwan and one is from the Daintree—a saltwater barramundi from the Gulf of Carpentaria—they are not going to have three types of barramundi on the menu, but they might have a couple of price points. It is my choice as the consumer to say, 'I am out with my three kids and my wife. I only have a certain budget tonight. If we are going to have barramundi, I am going to eat the barramundi that I know is from offshore.' It might be that on a special night with my wife—it does not happen often these days with three kids—I am going to sit down and spend a bit more money tonight and I am going to eat beautiful wild or saltwater Cairns

grown barramundi. That is what is really at stake here. For the areas of the food service market that are clearly profiteering off the back end of local industry which, at the end of the day, creates jobs, local jobs for the community and puts GDP back into both the Queensland and the federal economy, that is where the uptake will be. It will be there.

In terms of the tourist towns, there are a lot of people who are only one-stop diners. A tourist will come to town and he might only eat at one restaurant once. If he has a bad experience and he does not like the seafood, he is not going to sit there on Tripadvisor and say, 'That was the most terrible seafood I have ever had in the world.' However, the local and the travelling domestic market does care about what they eat. They do rave. They will say, 'We went to this restaurant in Cairns. It was fabulous.' They will get on Tripadvisor and Facebook and rate it. Social media is a fabulous driver within the market at the moment. For those restaurants that do want to pick up and take some custodial care of the protein they are putting across their menu, that will have a big pick-up because the way we communicate with each other has completely changed, particularly through social networking.

Ms Ruscoe: Gary is the owner of Dundee's restaurant here in Cairns—I hope you all go there while you are here—but he is also a barramundi farmer. He is very much in support of this. Veronica Papacosta, the CEO of Seafood Industry Australia, who also made a submission in support of the bill, is in the food service sector and the retail sector as well. There is a lot of support. There is crossover in this industry of people who are working as producers and who are also involved in the food service sector who are highly supportive of this.

What we are talking about here are the lower cost options. We are not talking about high-end restaurants like Dundee's that already promote Australian seafood and Queensland seafood. We are talking about clubs, pubs, and fish and chip shops that are selling seafood that is all imported at that price point. Often the consumer goes into those places and, because it is in a local town with a fishing community and a fishing industry, the assumption is that it is Australian. Just be transparent.

Mr McAtamney: Just so you know, Tower is 100 per cent because I supply the entire restaurant. I also market all of Gary's barramundi and the Papadopoulos family. I supply Harris Farm with wild-caught barramundi out of Karumba. There are definitely champions within the industry who are already doing what we need them to do. It is just about putting some structure around the rest for them to either adapt and change or continue to run the business models that they want to run.

Mr KNUTH: Chair, I think those last two statements answered a lot of my questions. Basically, if the bill is passed, you see that it will benefit consumers, restaurants and industry. It is a win-win for everyone.

Mr KATTER: You have done a good job of touching on the sorts of things I wanted to draw out. I have found in my interaction with restaurants that they have been mostly supportive because they say, 'This just rewards us for what we are already doing.' Some remote pubs or fish and chip shops—personally I think: what is the big deal?—will just put an 'I' on the menu and leave themselves open. Can you flesh that out any more? Do you have anything further to say about the impact in remote areas?

Mr McAtamney: The remote areas, from my experience, tend to be encumbered by serviceability issues. When you look at that area, it is a lot of the food service market—larger food service purveyors go out to those areas and provide them with a weekly or bi-weekly service. I think the other net gain—if you sat down with the larger food service companies, companies like Bidvest and PFD—is that they have a fleet of trucks and they have a fleet of sales reps who go out each week. They will sell whatever the customer and the consumer wants.

In the remote country areas I think we have less of a problem than not, notwithstanding the fact that you need to look at the style of food outlet. If you are talking about a fish and chip shop in Queensland and you travel down the eastern seaboard, a lot of the fish that is in the fryer is representative of what the local catch was before we went to an industrialised fishing model. Hervey Bay is whiting. Further down the coast we go to flake. North Queensland is mackerel country. Once you go further in—to Normanton and different places like that—I generally find that they are far more interested in origin than not, and they will go to that extra effort because most of the people there are either cattle farmers or country people and they want to support Australian industry.

The other thing the bill will do that I do not think we have conveyed today is that it will encourage the larger food service operators who are no different to my business who have to display origin on our invoicing. Again, that will also increase demand back to those large sellers of both imported and Australian seafood. A lot of Australian seafood goes through the large food service companies in this country. It will also pick up the demand coming through there.

I sat in on a barramundi conference recently where I heard about some of the outcomes of the studies that have been done on barramundi. They say, 'It's not available. We cannot get wild-caught barramundi.' A lot of that is because the sales networks that are being serviced have become, for want of a better term, lazy and it is the point of least resistance. 'We got that barramundi from Taiwan. There you go. It is at the Normanton Hotel because we are there two days a week and we don't have any other options.'

If this 'truth in menu' bill—which is what it is about—is passed, that remote area location might say to the sales rep, 'Can you get me some wild-caught barra? Can you get me some saltwater farmed barra? I want to put that on the menu. I want to take some of the imported product off the menu because our customers are demanding it.' Again, the question line that goes up through the food service chain will drive it. I think in the remote areas it will drive it no different from the coastal zones.

Mr KATTER: Just to tease that out a bit more, the restaurants in James Street in Brisbane become more of a guidebook sort of community, whereas you get more parochial the further out you go. I was talking to Allan Pike at the C Bar in town yesterday—a generational fishing family. 'Of course I am proud. I want to showcase North Queensland fish.' That is the sort of attitude you get. Do you find that that sentiment changes as you go to more fancy restaurants, say, in Brisbane where they want to offer more variety and say, 'This is seabass from overseas'? It becomes a less nationalistic type attitude where they just want to promote seafood.

Mr McAtamney: I think you really have to look at the type of property. When you go to fine dining restaurants in CBD areas, what you tend to find, particularly when you walk down strips—I can say it is the same here in Cairns. If you are at Dundee's and then you are at Ochre and then you are at the Boatshed, each of the chefs will be like, 'Hang on a minute. I don't necessarily want barramundi on,' or 'I don't want tiger prawns on. Let's go for a point of difference.' I think the closer you get to metro, the more the chefs are looking afield for exotic options, some of which are overseas—high quality.

Look at our Queensland scallop trade. We have a wonderful fishery. It is in a bit of peril at the moment from a management point of view, but there is a lot of very good quality scallop that comes in from offshore. The high-class restaurants like to work with it.

Mr KATTER: This would not impact on them—

Mr McAtamney: Not at all.

Mr KATTER:—because they are showcasing that by virtue of the fact that they want it.

Mr McAtamney: I think that diner is again looking for something unique and looking for something a lot different to what we are talking about.

Ms Ruscoe: This is about truth in labelling. It is about creating a fair playing field for the high costs of regulatory burden, for fuel and for labour in this country and being able to sell fairly in the marketplace. This is a legislative response because there is market failure. In these restaurants—the places we are talking about here—they have no hesitation about putting a label saying that it is an imported product or a local product when it is to their advantage. They just do not like to do it when it is not to their advantage because it takes away that opportunity to not pass on that price difference. That is it.

Mr McDONALD: From some of the responses that you have given, are we going far enough? Is putting 'imported' on the menu sufficient? Should it say 'Taiwan' or a different country as the country of origin? If I am looking at that and if a consumer is looking at that, an 'I' might not be very easy to see in about six-point as opposed to 12-point and the country of origin. Do you have any thoughts on that or would that be too difficult to manage?

Ms Ruscoe: On the basis of the evidence, 74 per cent of people want to support Australian product. Various recent studies have shown the rise in demand for Australian product. We do not want to make this so burdensome on the industry that it is untenable. We want it to be able to address the major concerns of the consumer and the major concerns of the industry. You can keep pushing as far as you like, but doing this will make the biggest difference with the least regulatory and financial cost to the industry.

Mr McAtamney: On that point, when I think about some of the seafood that is coming from multiple origins, I think we probably have to be more generic than not. We already know we have resistance from the food service sector. If you have to change a menu because all of a sudden ISP cannot supply you with prawn cutlets from Bangladesh—which is our normal supply source because Cairns

that is the price point they want to hit—and instead the prawns are coming from Indonesia next month, you have an impacted menu. I think it is sufficient. I think people understand what the term 'imported' means. They know that it is not eating something from Australia.

Mr McDONALD: That is good information.

Mr SMITH: Would you be satisfied if a restaurant had, for instance, a mothership menu—there it is on display. A lot of menus can be digitised now as well. If it says up there that it is imported but then you allow the table menu to just be plain, that way businesses are not having to reprint and put in all of that graphic design work—as long as somewhere there is clearly on display 'barramundi imported'. It may not be reflected on the table menu but is very much on display. Would the industry be willing to have a conversation about that sort of flexibility or not?

Ms Ruscoe: No, my members would not. If barramundi is on the menu at a certain price point, it is either imported or local. The difference in price point is local.

Mr SMITH: Even if said up on a bigger menu 'imported', it has to also be reflected on the table menu?

Ms Ruscoe: I think it is at the point of decision-making. Consumers want the information at the point of decision-making. If you are selling barramundi at \$40, it is going to be locally produced. If you are selling it at \$20, it is going to be imported. I do not see that is going to shift. You are not going to shift from a piece of fish you bought for \$4 to one you bought for \$10 and not change the menu on price. Putting an 'I' on the menu would have no impact at all.

Mr McAtamney: Again, you have to look at the outlet. A fish and chip shop will have a board like that. An a la carte menu will not. You are not going to walk go into Dundee's or a waterfront restaurant with a great big billboard hanging in the middle of the foyer. Are you then going to get up and go and have a walk to see what the origin is? I do not see that. I think it is a hard no there. It needs to be displayed on a menu. A lot of menus I sit down to will say 'Alaskan king crab'. They are championing those products. A lot of restaurants already talk about origin on their menu. We are not talking about a dynamic shift in what they already have to do.

Reprinting, yes, is an oncost but a lot of restaurants are doing it more often than not because their consumers are getting bored. That is one thing that I have seen a lot in the marketplace, particularly since COVID. To say, 'It is the printing costs,' when digitised printing is cheaper and a lot of them are doing it in-house now—I sat in a similar forum probably 10 years ago and one of the big arguments then was, 'Oh but we have to do re-do the menus and it is thousands of dollars'—is all garbage.

Mr SMITH: Is 'mixed origin' an acceptable term for your marinara dishes?

Mr McAtamney: It depends if it has been made from all Australian ingredients. Again, that gets down to the percentage conversation in terms of what it is. If you are sitting down to eat spaghetti marinara then I think you have to say that there are imported ingredients in that. The likelihood is that there is going to be.

Mr SMITH: In terms of the terminology, would you be happy with 'mixed origin' or would you prefer it says 'imported'?

Mr McAtamney: I think it should say 'Product of Australia and imported origins'. At least then the customer knows that there is something from somewhere.

CHAIR: The time for this session has now expired. Thank you very much, Shawn and Jo-Anne. There are no questions on notice. That concludes the public hearing. Thank you to everyone who has participated today.

The committee adjourned at 9.25 am.