



STATE DEVELOPMENT AND REGIONAL INDUSTRIES COMMITTEE

Members present:

Mr CG Whiting MP—Chair
Mr MJ Hart MP
Mr JE Madden MP
Mr JJ McDonald MP
Mr TJ Smith MP

Staff present:

Ms S Galbraith—Committee Secretary
Mr B Smith—Assistant Committee Secretary

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

TRANSCRIPT OF PROCEEDINGS

MONDAY, 21 FEBRUARY 2022

Brisbane

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The committee met at 10.00 am.

CHAIR: Good morning. I declare open this public briefing for the committee's inquiry into the Food (Seafood Labelling) Amendment Bill 2021. My name is Chris Whiting MP, 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 and present. We are very 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: Mr Jim McDonald MP, member for Lockyer and deputy chair; Mr Michael Hart MP, member for Burleigh; Mr Robbie Katter MP, member for Traeger, who will be briefing the committee today; Mr Jim Madden MP, member for Ipswich West; and Mr Tom Smith MP, member for Bundaberg.

This briefing is a proceeding of the Queensland parliament and is subject to the parliament's standing rules and orders. 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. I also remind members of the public that they may be excluded from the briefing at the discretion of the committee.

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KATTER, Mr Robbie, Member for Traeger, Parliament of Queensland

OSS, Ms Morgan, Policy Adviser to the Member for Traeger

CHAIR: I welcome Robbie Katter MP, member for Traeger, who has been invited to brief the committee on the bill. I invite you to brief the committee, after which committee members will have some questions for you.

Mr Katter: I will try to keep to the key points. I have my staffer Morgan here who has helped to put this together. I will give a quick overview of the Food (Seafood Labelling) Amendment Bill. The genesis of this bill was a barramundi farmer in 2014 or 2015 who said that something effectively could be done for the industry and he highlighted the unnecessary impact of imports. We looked at the legislation that has been put before the New South Wales parliament and the Northern Territory parliament. We worked with a couple of groups—mainly the Australian Seafood Industry Association and the Australian Barramundi Farmers' Association. They did a lot of the legwork and put together this legislation.

The purpose of the legislation is twofold: to increase consumer awareness around the origins of seafood being purchased and, subsequently, to support the seafood industry, whether it is wild catch or farms. The purpose of the bill is to remove the country of origin labelling exemption for seafood sold at dining outlets. Currently, you have to have country of origin labelling if you are selling seafood in grocery stores or retail shops but you do not in hotels, pubs, cafes and restaurants. They currently have an exemption. We want to remove that exemption to include those types of dining outlets to ensure that food menus identify country of origin labelling for seafood. However, it will be at the discretion of the business.

What is proposed is to use 'i' for imported. This is cognisant of the burden of compliance on small business. We are not trying to make it too complicated. It has its limitations in that way. We are trying to be sympathetic to business by saying, 'Just use 'i' for imported.' I think that will be enough of a flag if brand awareness and consumer awareness is developed enough. It will pose the question to the service provider: where is it from? There is pretty strong evidence to suggest that there is a real absence of consumer awareness of where seafood comes from.

This legislation will require that imported product is identified with a minimum of 'i'. If it is not labelled with 'i' then it would be Australian but it would be fairly open on the origin. You might say it is Northern Territory barra or wild caught barra. Some of that labelling already exists for promotion, but it is not mandated for service providers. Also, there is a minimum of 12 months to implement the new labelling system. I do not think that would have a heavy impact on a lot of those restaurants.

The issue of COVID seems to have generated a sense of economic nationalism, thinking about food and fuel security and all of those sorts of things. There has been an obsession with management behaviour of 'just in time' ideology where everything moves fast globally, but now we have had a break in supply with COVID and people are asking: how do we fare when our supply chain is cut? It is important that we stimulate the economy and have sustainable fisheries. Sustainability is not just about being ecologically sustainable but also economically sustainable.

We announced this legislation on National Barramundi Day. Australia is surrounded by two oceans, three seas and an abundance of inland river ways, water sources and estuaries. It is a sad reflection on us that we still import 60 per cent to 70 per cent of our seafood, and we import 70 per cent of our barramundi. That is really disappointing. People will be disappointed to learn that. We want to find ways to address that.

'Barramundi' is an Aboriginal name that we are very proud of. However, barramundi will be listed on a menu when in fact it is imported Asian seabass. In our view, there is a tendency to be misleading. When you go to a restaurant, you will pay \$30 for fresh grilled barra thinking, 'This is nice Australian fresh barra I'm getting, with all the environmental sustainability standards around it,' when in fact you could be getting Asian seabass from an effluent pond in some overseas country. Let's just say, to be fair, that those countries have grossly inferior environmental and health standards to what we are used to, but you are still paying \$30 because it says 'barramundi' on the menu. That desperately needs to be addressed.

To be fair, there has been a rebirth of Australian consumed seafood. We are only talking about a reduction of imported seafood from 68 per cent to 61 per cent. There has been a trend towards more Australian seafood. We would argue that there needs to be more of a push to make that happen. There seem to be signs that the Australian public do want this. That is why it is important to shroud this issue, which this legislation aims to address, in consumer awareness.

Sometimes people do not know whether the seafood is Australian or where it comes from. There is evidence that we have on file that shows that 50 per cent of people assume that the seafood they purchase is produced in Australia when there is no stated country of origin. That is important to know. As I said before, retailers and supermarkets have to label it. Legislation has been operating successfully for 13 years in the Northern Territory. New South Wales introduced similar legislation. It was introduced by the Labor Party in opposition in 2017 or 2018. That legislation was criticised around consultation and lack of penalties. We have included penalty units in our legislation.

I made the comment before that we have environmental sustainability standards. I would disagree with some of the standards that have been applied to our fisheries in the way that they impact on the economic viability of the industry itself, but we do have these standards. From my point of view, the seafood industry in Townsville is on the brink of—perhaps 'collapse' is too strong a word—severe decline. The seafood industry has declined a lot and it is declining more. They need some sort of help.

On my last visit to Karumba I heard the same as I have been hearing for years: they feel that they are constantly under attack and it is hard to maintain their viability. To be honest, their comments about this legislation are not, 'This is great. This will save our industry,' but it will help the industry. It must if it increases domestic demand for their product.

This legislation does not address mining camps that have big catering contracts. They are often the worst offenders for importing cheaper seafood. It does not cover retirement homes or institutional facilities. We are trying to be sympathetic by making it consumer opt-in type legislation to make it more palatable to the parliament. That is an area that we would be interested to explore more throughout the process and address. We did not have any better ideas on that.

On consultation, I have personally canvassed this idea for years with different fishing groups. It was brought to us by the Barramundi Farmers' Association originally. We have talked to restaurants and hoteliers. We have had informal discussions with some of the peak lobby groups—for example, hotels. I have not seen any significant flares of anything negative. That is not to say that there will not be, and I welcome any negative feedback. Interestingly, Allan Pike at the C Bar in Townsville said, 'This is great, mate. We have been doing this all along. It is no effort for us, and so we should be celebrating this.'

I have developed the view that anyone who has good Australian values and wants to look after the interests of our state would have no problems with this legislation. I imagine they would want to complement our industries and activities. The Premier and the Leader of the Opposition say that we should be proud of our seafood industry and the competitive advantage we have. If any service providers or food outlets have an issue with this, I find that hard to reconcile with the virtues of our Australian seafood industry. It is superior to anything that is available around the world.

The Premier made some comments before Christmas about how we should be eating Australian seafood. I will table that, Chair. The opposition was also talking about seafood labelling before the election, so there seems to be good support from both major parties. I am happy to take questions.

CHAIR: Thank you, member for Traeger.

002

Mr SMITH: I think for a lot of people this legislation, on the surface, passes the pub test. I do not think there would be a single Australian who is not patriotic about Australian seafood. I will try to ask the questions that might be lurking behind the bar. Anecdotally, is this demand for the bill being driven by the seafood industry predominantly or by the food outlets or consumers?

Mr Katter: That is a good question. I would argue that it is being driven by the seafood industry. The majority is probably from the local fish farms. When you speak to the commercial operators, they say, 'We're being attacked from every other place. At least this is something that might help us.' I think they see some good in it, but they have not been driving it because they are focused more on the political arena. One of the people who was very involved at the start was from the Queensland Seafood Industry Association and is a restaurateur at the same time, so there is overlap for some of them.

Mr SMITH: Anecdotally, is there more of a push from the fish farmers and the wild catch or is it a bit hard to decipher?

Mr Katter: It is probably a bit hard. We had feedback from Wild Caught Barramundi saying, 'We're already doing this.' They do a good job. My assertion is why can't we do better and make it far reaching?

Mr SMITH: Moving to the consumer aspects of it—obviously we will speak to many people across this inquiry—are there any surveys that show real consumer demand or surveys that ask consumers: would you prefer to buy local seafood or imported seafood or does it even matter?

Mr Katter: There was a Senate inquiry. We borrowed a lot of what was done through the federal Senate inquiry about the consumer surveys.

Mr HART: We could hear from your adviser, if you want to, Robbie.

Mr Katter: That is a good idea.

Ms Oss: We have not made efforts to canvass through surveys more recently. However, a lot of this work has been done. There was a federal Senate inquiry into this very issue. I think it was in 2020. When Rob was prompted to do work on this, I then engaged with a lot of those stakeholders: the Queensland Seafood Industry Association and the Australian Barramundi Farmers' Association, who pointed me straight back to that federal Senate inquiry and said, 'A lot of this work is already compiled and exists. We are so thankful that the state may look at this.'

Mr SMITH: Part of this is that we want to keep Australian seafood strong. The more we can encourage people to buy Australian seafood the better. My only concerns come around the ability of individual business to purchase Australian seafood, especially throughout Queensland and regional parts of Queensland. If we think Australian seafood is most wanted, a lot of it is going to go to the flash Sydney and Melbourne restaurants and overseas as well. Anecdotally, do you foresee concerns where businesses may be hampered in the sense that they do not have the accessibility to local seafood that other restaurants have and is that a cause of concern for their commercial viability?

Mr Katter: That is a really good question. From a philosophical point of view, our aspiration is that it would drive the need for recognition of our commercial fishing industry—that attention is given to the commercial fishing industry to make sure it is economically sustainable—and perhaps drive investment in aquaculture and fish farming. That would be our aspiration. That is a really good question.

Perhaps in the short term there should be some consideration of exemptions if those situations arose. Again I sit back and think that that would be valid if there were no supply. For people who would ark up about this, saying, 'This is a big impost on our business,' other than just trying to cut

costs, I am not sure why you would have such a strong inclination to avoid having Australian caught seafood. If having a short supply is valid and people can demonstrate that—it would be market knowledge, I imagine, if they are short in supply—there should be some exemptions, I guess.

Mr SMITH: That is a valid sentiment. Where businesses can purchase locally, we obviously want them to. My concern is that the Australian Council of Prawn Fisheries noted that 52,600 tonnes of prawns were consumed in Australia. Australian produces only 14,800 tonnes, meaning that 34,000 tonnes had to be imported. That is my concern. Can the Australian seafood industry increase their catch? Are you aware of any limitations? Is there legislation saying, 'This is how much catch you can have?' or is that pretty much as much as we can catch in the industry? Is there room for the seafood industry to grow?

Mr Katter: I would certainly think there was. I was talking to someone in Karumba the other week who had bought 20 licences for mackerel and now there are three. It is physically impossible for them to go much harder than what they are now. This ties in with your previous question. I have thought more on that. In the worst case scenario and there is a short supply of Australia seafood, you put 'i' on the menu and you explain to your customers why there is a shortage in supply. I do not see that there is a big impost there. In the fullness of time, in normal market conditions the price will ensure industry growth and more local supply. Unquestionably, there is more capacity in fish farming. It is a case of how long is a piece of string. I would argue that there is much more potential in the wild catch, but I am no expert in that area. You would probably have to get advice from someone more knowledgeable than me.

Ms Oss: The intention of the bill is not to vilify imported seafood or even to suggest it should be purchased. If I go to a Chinese restaurant and they are selling honey king prawns for \$14 and they are imported, that might be exactly what I want that night and maybe what a consumer wants any night of the week. If you go to another restaurant that may be selling the same prawns for \$30 or \$40 and there is an assumption that they are an Australian or even a Queensland product, then this is at the heart of what the legislation is trying to achieve. It is not to suggest that we should not be importing seafood. That is certainly something the industry bodies we engaged with were very careful of not wanting to go down the path of.

Mr SMITH: It is to encourage consumers to go to restaurants that are predominantly selling more Australian seafood. That was where that line of questioning was going.

Mr McDONALD: In terms of national sovereignty—and this is from the heart of a parochial Queensland—we would not import anything. We would grow all of our own product. That is an end goal. Robbie, you make a really good point in terms of the clandestine activities of some outlets selling bass for barramundi. If people are going to do the wrong thing, they are going to do the wrong thing. This is not about vilifying importers but about encouraging national product. In the submission by the Food and Beverage Importers Association, they talk about being gravely concerned about four things. The first is 'the cost of implementation of any mandated labelling scheme'. Do you want to deal with that one first? I cannot see the cost.

Mr Katter: I stand to be corrected, but as far as we can tell—and we have asked questions about this—it is photocopying another menu and writing 'i' on the board at the fish and chip shop. I fail to see where the large impost is there. I am not saying it is nothing, but I would say it is a fairly passive impost.

Mr McDONALD: The next one is 'the increased liability of end-users'. There is no clarity around that. I think that is a convenient statement.

Mr Katter: I do not have a good answer for that one.

Mr McDONALD: When given the opportunity, we will ask the question of them. The next one is 'the inevitable subsequent uneven enforcement'. Who would do the enforcement for this? Would it be local environment or health people?

Mr Katter: Again, you have caught me off guard, member for Lockyer. I imagine it would be environment and health and food licensing. I would have to come back to you on that.

Mr McDONALD: I think that makes sense. The next one is 'the loss of outlets that will simply delete seafood from their menu as a consequence of this'. I cannot really see that. If you are going to sell prawns, you sell prawns.

Mr Katter: I do not have a good answer for that, I am sorry.

Mr MADDEN: I must admit that when it comes to seafood and my consumption of seafood it is usually at fish and chip shop type places. Just last week I was at Redcliffe and went to a fish and chip restaurant. I noticed that a lot of choices now are combinations—a variation on a seafood basket

without being a seafood basket. When I look up at the board and see the choices, the choices often involve a number of things—squid, prawns and that sort of thing. I just want some clarification on what this bill would achieve. You are proposing that there be an ‘i’ after any of the imported items. Are you also proposing that somewhere on the board it would say what ‘i’ meant—that ‘i’ means imported. Does your bill go that far?

Mr Katter: No, it does not. It is just the ‘i’ and it stops there.

Mr MADDEN: It is a bit like an abbreviation.

Mr Katter: My apologies. I have been corrected. It does say imported down the bottom, but that is as far as it needs to go. It does not have to say what country it is from. One of the major areas where they source the replacement for barramundi is somewhere in Africa.

Mr McDONALD: Tanzania?

Mr Katter: It may be. They do not have to say it is from there. It just has to say ‘i’. You are probably like me in that you are blissfully unaware most of the time. Hopefully in time this is the trigger for saying, ‘I didn’t realise that one is imported.’ We are doing it already at the supermarket.

Mr MADDEN: This is already in place in the Northern Territory. If I did not go to the seafood restaurant at Redcliffe and instead I went to a seafood restaurant in Darwin, is that what I would see on the menu in Darwin—an ‘i’ after all the imported items?

Ms Oss: I would have to double-check or suggest that we double-check, but I do not believe they have the same level of flexibility around the ‘i’ as denoting imported. I believe they have to name the country. I would be happy to check that or suggest we do.

CHAIR: We will come back to that as a question on notice.

Mr MADDEN: The explanatory notes suggest that there has already been similar legislation in the Northern Territory for 12 years. I am trying to envisage what people would see on the menu in the Northern Territory if they went into a restaurant. Could I get clarification on that? Can you take that on notice?

Mr Katter: Yes, we will chase that up. That is a good question.

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Mr HART: Robbie, I think this is a good idea. I just see a few practical issues with implementing it. Have you checked to see whether ‘i’ means anything else on a menu at a restaurant, like ‘gf’ means gluten free?

Mr Katter: We certainly talked about this at the inception in terms of how does this work. It is just like ‘gf’ for gluten free. There are a couple of others now too. I cannot say we have comprehensively looked at that, but that is something for us to take away and check. I am pretty sure there is nothing.

Ms Oss: It is important to note that the ‘i’ is not prescriptive. It does not have to be ‘i’ for imported. It could be ‘Product of Vietnam’. The ‘i’ is an option because of concerns of food supply chains and being flexible for certain food outlets. The ‘i’ is not the pinnacle of what has to be listed. It just can be. It has a high level of flexibility.

Mr HART: How would you envisage a restaurant or a takeaway dealing with the sudden availability of local catch? If somebody catches a bream off the end of the wharf and brings it in and all of a sudden it is not imported but local, how do they change the board? I am asking about the practicalities.

Mr Katter: What we are trying to address is where people are accustomed to importing in bulk. I think what you are talking about is specialty restaurants, not necessarily expensive ones but the ones that get fresh fish. It would be more difficult for them. I would also argue that most of those operators tend to have a real sense of supporting the industry. I am not saying that it would not create some problems. There would likely be a few problems here and there. I would hope that that would be an anomaly and only in a small number of cases. I think most of those operations seem to be fairly supportive of the industry in trying to stimulate it.

Mr HART: Again, I am playing devil’s advocate because I actually support what you are doing. What about the meal that you might be having where the prawns are local but the oysters are not and the fish is from somewhere else?

Mr Katter: We used to be a net exporter of seafood. That was at least 20 years ago. You could run the argument of whether that was a sustainable level of catch back then, but I think we would have to go pretty close to being able to satisfy most of this. It raises the question: if you do not have

the supply, what do you do then? Does it come through exemptions or do you provide more scope in the labelling? The quick answer is that we would be open to any way to try to improve that and make it more flexible as long as it does not deter the main intent of the bill.

Mr SMITH: Would it be fair to say that the goal of the bill is to make consumers more aware of which restaurants have local products for restaurants to then go, 'Hey, consumers really want to buy local products. Therefore, I need to invest more where I can.' Therefore, that would strengthen the seafood industry. Is that a fair summary of the bill?

Mr Katter: That is one of the main intents of the bill. I could branch off by saying it is about trying to get the nasty buggers who are trying to deceive people into eating something that they are not. But that would be a good summary of the main intent of the bill.

CHAIR: Member for Traeger, I will go through a few things here. This is about giving you more homework to do. First of all, you have talked about the Northern Territory act from 2008. If you could provide more information on the act and the regulations that flow from that, that would be quite useful to the committee. Also, we are very interested to hear more about the private member's bill from New South Wales. If you can find a copy of that, that would be good.

The deputy chair asked about who would enforce it. We would like some information on how it would be enforced. For example, food regulations are enforced jointly by Queensland Health and local government, so they have experience in that area of food regulation. That brings me to another point. Have you thought about how this intersects with the Food Act 2006, which is the legislation in Queensland that regulates labelling of food and standards of food? Once again, that is enforced by Queensland Health and local government. Can I suggest you follow that up to see whether any part of that act may need to be amended?

Mr Katter: Yes.

CHAIR: Local government and Queensland Health enforce that act. That may help with giving us more information on who would enforce and how they would enforce your bill. The other one which we have touched on is the situation that arises with multiple ingredients.

Mr Katter: That is a good question.

CHAIR: We talked about a seafood basket or mixing multiple ingredients and how that would be dealt with. All the questions that I had have been asked. These are things I thought we needed more information on.

Mr Katter: They are all good questions. That is really helpful.

Mr HART: You mentioned some research you had done before or that you had access to?

Mr Katter: We can provide that. That is from the Senate inquiry.

Mr HART: It might be useful.

Mr Katter: Yes, we will make that available.

Mr McDONALD: Robbie, I fully understand the reasons for and the intention behind the bill. I noticed again in the Food and Beverage Importers Association submission that we currently import 220,000 tonnes of seafood annually, half of which is retailed under the labelling rules. Obviously there has not been a great change in people's behaviour. Can you foresee any real change in behaviour from this labelling or is it just an additional opportunity?

Mr Katter: That is the risk that it does not change behaviour. It is hard to gauge. Coming back to the data that came out of the Senate inquiry, the survey suggested that 50 per cent of people did not realise what they were putting in their mouth. That, to me, represents a pretty good opportunity. I can draw on my own experience. I am pretty naive. I usually ask for mackerel now at the fish and chip shop. It is my preference. In the past I have been pretty naive about what I am eating. I often forget to ask at restaurants where it comes from. I think people seem to be asking more and more now, whether it be at a pub or at a fancy restaurant, where the fish has come from.

Mr McDONALD: My logic leads me to the industry having a campaign promoting local seafood as well as the introduction of the labelling. Have you talked to them about that? I could see how that might work in terms of increasing the local market.

Mr Katter: Mostly we get enthusiasm. Like I said, Wild Caught Barramundi have already put a lot of effort into that space. We did not want to make out that we were introducing a new concept. They have already put a lot of effort in there. Beyond that, again it probably provides an opportunity. There are probably a fair few angry people out there in that industry at the moment who are more in survival mode than thinking about how they can do things better. That is what I am picking up mostly.

That probably gets in the road of a bill like this. In ordinary circumstances it would be well received and everyone would be cheering it on to the finish line, but we are hitting a point where there a lot of angry people out there at the moment. I thought your first question was going to be whether there is barra running up at Kurumba at the moment!

Mr McDONALD: We will talk about that after.

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CHAIR: Are there any further questions, but not that one!

Mr MADDEN: This might be a question out of left field for you, member for Traeger. I have long been concerned about prawns being imported for bait. I note that the package does state the country of origin on the back, so it clearly indicates that they are imported. Did you consider dealing with that in your bill?

Mr Katter: No. I think that is a good amendment for the committee to work on. No, we did not. The other important thing we had thought of but only late in the game was some of those big catering groups. They are pretty big consumers and providers.

Mr MADDEN: You mentioned mining camps.

Mr Katter: We could not think of a way to incorporate them. We would be very open to any ideas around that.

Mr SMITH: With the big catering opportunities, a lot of people purchase services online. Will this provision in the bill extend to online menus as well? If your local leagues club provides a catering service, when choosing the catering package online would they have to detail country of origin? Would this extend to online menus as well?

Mr Katter: We would probably have to get back to you on that. I would have to assume that, if you put a requirement for definitions in a menu in legislation, it would incorporate online menus as well. That is a good question. We will probably have to make sure that lines up. I am not sure how that comes under catering though?

Mr SMITH: If you are holding a function and you want the catering provided from outside of that function area, generally they will say, 'For \$70 you can get X amount of food.' They will list what the food is but they might not necessarily list the country of origin.

Mr Katter: What jumped in my head is that David Wren up in Karumba had grey mackerel and the mining camps were importing grey mackerel. Karumba is right next to the mining camps. He rang them up and the catering mob just said, 'No. We can import it cheaper.' I am sorry that this bill has not been able to capture that. I would love to get some ideas as to how that could be incorporated in the bill, but we could not find a way.

CHAIR: That concludes this briefing. Thank you to everyone who has participated today. Thank you to our Hansard reporters. Thank you to our secretariat. A transcript of these proceedings will be available on the committee's webpage in due course. Robbie, the responses to the questions on notice are required by 4 April, so you will have a bit of time to follow up all of those issues. You can liaise with the secretariat over the exact wording of those questions. I declare this public briefing closed.

The committee adjourned at 10.48 am.