

7 February 2022
R&CA Submission
Food (Labelling of Seafood) Amendment Bill 2021



Restaurant & Catering Australia (R&CA) welcomes the opportunity to make a submission for the inquiry into the Food (Labelling of Seafood) Amendment Bill 2021.

R&CA is the national industry association representing the interests of more than 50,000 restaurants, cafés and catering businesses across Australia. The café, restaurant and catering sector is vitally important to the national economy, generating over \$37 billion in retail turnover each year as well as employing 350,000 people.

Over 93 per cent of businesses in the café, restaurant and catering sector are small businesses, employing 19 people or less.

Introduction

R&CA find several issues with this country of origin labelling (CoOL) proposal, believing that it will have a severely negative impact on Queensland's hospitality industry - an industry that has suffered greatly during the COVID-19 pandemic

R&CA fails to see how a mandatory CoOL will have the desired impact of encouraging the consumption of locally sourced seafood produce, as venues already advertise local produce prominently and most seafood used in hospitality venues will still have to be sourced from overseas due to a lack of adequate supply from local fisheries.

R&CA is also concerned at the enormous amount of red tape and the financial burden that this will force upon venue operators.

R&CA strongly advocates for a voluntary system leaving hospitality venues to decide whether they display labelling or not.

Advertising locally caught produce is already a standard and advantageous practice

R&CA does not believe that adding labelling for every single seafood item on the menu will necessarily lead to consumers opting for locally sourced seafood. A mandatory CoOL is redundant as restaurants are already eager to advertise their locally caught seafood products to promote certain dishes and increase consumer demand. Australians generally favour local produce and businesses who advertise this fact find themselves with an advantage over those who don't.

Reliance on imported seafood not due to lack of consumer demand

The notion that mandatory CoOL will increase demand for local produce or somehow increase the profitability of the local industry is also flimsy. Consumers and venue operators are already aware that imported seafood in Australia is a common business practice.

The Australian Bureau of Agricultural and Resource Economics (ABARES) reports that Australia imports about 220,000 tonnes of seafood annually. 65 per cent of seafood sold in Australia is imported from overseas.

This is not due to a lack of awareness by consumers of the origins of the seafood they are consuming but instead a result of the fact that the Australian seafood industry cannot meet demand from venues in terms of quantity or cost effectiveness.

Unnecessary burden on hospitality venues

R&CA is concerned at the cost that this scheme will impose on venue operators. This could not come at a worse time especially with the lack of interstate and international tourism entering Queensland due to the COVID-19 pandemic.

Under a mandatory CoOL scheme, restaurants will have to constantly print new menus at their own cost if any item on the menu changes. Due to the volatility of the seafood supply market, changing seafood items on the menu can be a very common occurrence.

For instance, if prawns used in a linguine one day is sourced from Australia and then needs to be sourced from overseas the next day due to supply issues that

morning, the operator will have to redraft and then reprint the menus immediately or face a fine for non-compliance.

Restaurateurs and café-owners simply do not have the time nor the finances to constantly be redrawing and reprinting menus if there is a sudden change in supply - a common occurrence in the hospitality industry.

This situation becomes even more complicated once dishes with multiple seafood items are considered. Dishes like, but not limited to, a marinara, seafood pizza, fish stew or a gumbo, that contain multiple seafood products, may have items sourced from both Australia and abroad. Some of these dishes require five or more different types of seafood.

Under this proposed CoOL scheme, every single item will have to be labelled. If the aforementioned scenario occurs and the supply of the seafood changes at a second's notice, editing the menu constantly to remain compliant will become a costly and draining endeavor.

Conclusion

After two years of pandemic and financial hardship, the last thing Queensland's hospitality sector needs is more red tape and stress. To implement this scheme would be reckless and irresponsible.

A mandatory CoOL scheme creates a needless burden with no foreseeable gain for venue operators, consumers or even the local seafood industry. While there is intrinsic value in promoting locally sourced produce whenever possible, venue operators should be allowed to continue do this on a voluntary basis.

R&CA strongly recommends the rejection of any mandatory requirements to label seafood country of origin and advocates any measure taken to promote business and its recovery post-COVID in Queensland.

We thank you for this opportunity to make this submission.

Regards,



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Chief Executive Officer

Restaurant and Catering Australia

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