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# RED MEAT ADVISORY COUNCIL LIMITED<sup>1</sup>

## OPINION PIECE – BEEF TRUTH IN LABELLING

22 February 2010

*Terry Nolan, Chairman, RMAC Beef Labelling Committee*

The current debate around labelling of beef for consumers involves two very different issues: the truthfulness of the labelling and whether or not all beef should be graded for eating quality, with the grade included on the label.

New labelling legislation in NSW (likely to be made law in mid 2010) will have an impact nationally so it is important the two issues are discussed separately and clearly. Unfortunately in much of the public debate the two issues have been jumbled together, leading to confusion.

RMAC supports action in both areas (labelling and grading), but not in the way intended by the NSW legislation.

### **Truth in Labelling**

Truthful labelling is critically important for consumer confidence and is strongly supported by RMAC. At present there is a vast array of labels being used to sell beef cuts. In a small number of cases labels for beef cuts and grades are applied incorrectly, often accidentally but occasionally on purpose.

State/Territory governments are responsible for truth-in-labelling legislation, with the national Trade Practices Act also having an influence. For many years RMAC has been urging governments to strengthen their truth in labelling legislation, thereby providing laws that support penalties for those found deliberately misleading the public through false labelling of beef.

The first version of the NSW Food Labelling Bill (December 2008) was close to right in dealing with this issue; RMAC supported it and suggested slight amendments to make the Bill more workable.

The version of the Bill that followed, and finally passed through the NSW Upper House late in 2009, still contained an element of Truth in Labelling rules and these have RMAC's support.

In fact RMAC went further than simply supporting this component – it actually engaged AUS-MEAT to develop what has now been published as the Domestic Retail Beef Register in which all allowable beef labels are contained and described, and to which the NSW Legislation can refer when dealing with Truth in Labelling. This Register now forms an important part of the already internationally accepted AUS-MEAT language.

### **Grading**

Governments' role in quality grading of any product should remain only with ensuring labels are true. That is, if a label regarding quality (eating quality in our case) is applied to a product, the retailer must be able to verify it to be true; if found to be false and misleading, the people responsible should face prosecution under the law.

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<sup>1</sup> Red Meat Advisory Council Ltd is the peak advisory body for the red-meat and livestock industry and has as its members Australian Meat Industry Council, Cattle Council of Australia, Sheepmeat Council of Australia, Australian Lot Feeders' Association and Australian Livestock Exporters' Council.

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Deciding on the appropriate grades themselves is an industry responsibility; after all, it's the industry that will suffer if the grading system is found wanting; governments remain unaffected.

Unfortunately though the NSW Bill unnecessarily deals with quality grading. It's because of this that RMAC has been working to have the Bill returned to 'truth in labelling only' legislation.

In its current form the Bill allows for the Minister of the day to impose a grading system on industry at will. Indeed, a regulation for a grading system is already drafted in readiness; this has been reviewed by industry, retailers and various bureaucrats around Australia and found to be unworkable, but it still hangs there.

Also in the Bill, and strongly opposed by all sectors of industry, is the requirement that beef from eight-toothed animals, if labelled 'Budget' by the retailer, must also carry the words 'low quality' or 'low grade'. Support for such a law, even if in only one State, beggars belief. We would have to be the only industry in the world that'll be legally required to market our product as being of low quality.

This industry has magnificent credentials when it comes to creating a workable grading system for its own products.

MSA (Meat Standards Australia) is a world-leading system designed specifically for the huge variation in beef quality available in this country. The science and intellect behind it makes it the only reliable system for grading individual cuts of beef, meaning it must remain the central part of any industry driven system. To argue otherwise would be to ignore the 450,000 plus consumer tests (in Australia and overseas), the tens of millions of dollars spent on it, and its proven accuracy in delivering extremely high success rates as judged by consumers.

On industry's behalf RMAC is working with NSW and other State politicians and authorities to strengthen Truth in Labelling legislation. However, when it comes to grading, RMAC is stressing the benefits of leaving it to industry, particularly so we can avoid having different systems across State borders.

The Industry Standards and Language Committee under AUS-MEAT has already been engaged to examine our current grading system for areas of potential improvement. Governments can help by ensuring future labelling is verifiable but should allow industry to determine the grades for application nationally; after all, it is our business.