

TRADE PRACTICES AMENDMENT (COUNTRY OF ORIGIN REPRESENTATIONS) BILL 1998

Second Reading

[Senator STOTT DESPOJA](#) (SA) (1.35 p.m.)—I rise as the consumer affairs spokesperson for the Australian Democrats to support some of the comments made by my colleague Senator John Woodley earlier in this debate, specifically in relation to labelling. I would like to extend some of that discussion not only to labelling but to some of the broader consumer rights issues and some of the spin-off effects of labelling, or its impact on the economy.

As Senator Woodley remarked, the Trade Practices Amendment (Country of Origin Representations) Bill 1998 is a belated improvement to existing law, but he also recognised that we consider there are still deficiencies within this bill. It is no secret that the issue of labelling, specifically that of [Australian made](#) products, is something on which the Democrats have campaigned long and hard for many years. As Senator Woodley pointed out, the Democrats have private members' bills currently—and have had them previously—before this chamber dealing with the issues of not only labelling generally but `Product of Australia' and `[Australian made](#)' labelling.

My personal concern about labelling of goods relates to those foods and other goods that are genetically modified in some way. I make it very clear that I think it is the right of all consumers in our society to have goods, foods and other things labelled appropriately, so that consumers can make an informed choice about what they are buying, wearing, using or eating, as the case may be. I am conscious that a lot of that issue is relevant to a debate at another time and I am keen to maintain the dialogue that we have with the government on that issue.

The Democrats' concern on this issue relates not only to this government's work on its legislation but to that of the previous government. We had many concerns with legislation put forward by the Australian Labor Party and, more often than not, with the inaction on this issue. I do not pretend that this is an issue that is not complex; it is a significant issue, but it is also a hard and delicate issue. Certainly, the issue of definitions is a hard one to resolve—how we define what is Australian, whether it is made in Australia, whether it is a product of Australia, whether it is manufactured in Australia, and what component parts are [Australian made](#).

We have worked very hard to bring this issue to the parliamentary arena, just as we are very conscious that organisations such as AusBuy, Harry Wallace and the Australian Consumers Association have worked very hard to raise these issues in debate in the wider community.

The Australian Democrats were one of the first organisations or parties to launch a scheme that looked into better labelling—not only laws but easier ways that Australians could identify [Australian made](#) products. Senator Woodley referred to the scheme which ranked products in order of their direct economic benefit to Australia and the Australian economy.

There have been private members' bills—one recently from Senator John Woodley and also one from our leader, Senator Meg Lees—dealing with the issue of labelling laws. I look back at some of her speeches when the draft amendment bill on labelling was introduced back in 1992, many years ago now, yet some of the issues are still relevant. She raised these issues in the parliament back in December 1992, during a matter of public interest debate. Some of the issues that she picked up on were products that were labelled `Product of Australia'. A good example that has been given already in this debate is that of tomatoes—the fact that tomatoes in tomato sauce are often imported but because the processing is done here, they can at the moment, under existing laws, be legitimately labelled `Product of Australia'.

I know that former Senator Robert Bell gave peanuts as an example on many occasions—the fact that we can go through many jars of peanut butter, and certainly in 1992 we could only find

one brand of peanut butter that actually contained Australian peanuts. Nevertheless, all the brands were labelled 'Product of Australia'. So we know that this is an issue that is important not only to us but to a majority of consumers, and was important long before 1992. We still seek adequate resolution of this issue. I have noted that there are improvements in this bill but we still think it has deficiencies.

In addressing some of the broader issues relating to this bill, there is the fact that what we buy affects our economy. Greater awareness through labelling of **Australian made** products and goods has the potential to increase investments in our country and the purchasing power of consumers. Senator Hogg in his remarks noted how a survey of consumers showed they were more likely to buy products if they were genuinely products of Australia, even if, in some cases, those costs were greater. We have no doubt that consumers are more likely to purchase those products and therefore increase investment and, presumably and hopefully, jobs in Australia as a result.

The Australian Democrats have always strongly opposed the speed with which this government—and of course the former government—cut tariffs, quotas and bounties and went a long way further than our obligations under treaties such as GATT. We are still very concerned about these issues. We think that future international commitments by Australia towards globalising trade should reflect Australia's interests. This is particularly concerning for Australian manufactured products and our agricultural output. This is the primary reason why we want good country of origin labelling.

The Labor government was aided and abetted by the coalition in opposition. This led to the decimation of many jobs in Australian industries. It has also made Australian businesses and workers compete directly with overseas wages, which are significantly lower than our own, with no obligation to meet basic employment standards and with no regard to environmental protections and quality of life. I have mentioned before the fact that we measure our economy in terms of gross domestic product, which is a measure of economic activity. It gives number to the value of all final goods and services produced within this nation. In our modern societies we often work out the GDP as a measure of individual worth and wealth. My objection to this, and I think many of my Democrat colleagues' objection—certainly that of my predecessor, Senator John Woodley—is the failure of GDP as a measurement to take into account social components and the failure to indicate the quality of life.

We think we should use a range of indicators which give us measures which take quality of life into account. Among other things, this would value household work, time with the family, voluntary and community work and other non-market activities which go towards making our community more inclusive, more tolerant and much fairer. Indicators like the genuine progress indicators and the index of sustainable economic welfare are interesting and worth some consideration. For example, the GPI for Australia has stayed approximately the same since 1975, while GDP has increased significantly. This means we have more economic activity, but our quality of life has not necessarily changed much.

In its publication *Perspectives on progress: is life getting better?*, the CSIRO clearly showed that comparisons of GDP against other indicators of life satisfaction showed increasing GDP and decreasing life satisfaction. They found economic growth only improved quality of life in some circumstances.

I am not saying we do not need economic growth; I am saying that there is more to improving our lives than just a positive GDP number. I am saying that we need to investigate some of these other factors more, and include them in our assessments of what is and what is not good policy. I am saying we need to make sure our lives are improving. For example, we should include the environment as a part of our assessment because we value biodiversity, clean air, water and space—how appropriate that the Minister for the Environment should walk into the

Senate at this point. These are all directly linked to a declining environment through land clearance, development and a range of other impacts.

As a key component of globalising trade and taking these quality of life issues into account, we need to have an efficient and effective method of labelling in this country, because what we buy directly affects our economic activity, and by making choices—this is all we are talking about: ensuring that consumers are able to make an informed choice—we can support our local industries and businesses.

Australians want to buy Australian goods to help their fellow workers and to promote Australian agriculture, manufacturing and businesses. We want to know that the product has been produced with proper respect for the employment practices, health and safety, the environment and the peculiarities of Australians and others. We also want to know that a product has satisfied our Australian regulatory scheme.

We can do this best with a label that provides accurate information and gives the purchaser enough information to make an informed choice. As I have mentioned, the Democrats have undertaken a number of initiatives to promote labelling. This is an issue of choice and being able to make informed choices. We want to have labels that provide us with relevant information. We welcome, for that very reason, this debate about country of origin labelling as labelling information consumers want and deserve.

Briefly, I turn to an issue that I remarked on in my earlier comments: the issue of labelling for the purposes of genetically modified foods. As a political party the Democrats have always maintained that all food derived from gene technology should be labelled as containing genetically modified material, with an identification of the food or the component of that food that has been genetically modified.

We believe, again, as part of this broad debate on labelling, that this is an important consumer issue based on a right to choose and the right to make an informed choice. If the outcomes of these types of decisions and debates are the wrong outcomes—and we know that the Australia New Zealand Food Authority, ANZFA, is proposing to introduce a food standard as part of the food standards code—and if we are not ensuring that there is adequate labelling, especially of food that has been genetically modified in some way, potentially the community will be alienated about the use of things such as genetic technology.

This is particularly concerning because we increasingly have food, textiles and medicines from genetically modified organisms. Transgenic Australian cotton and soybeans are available to consumers, yet there are few regulatory regimes to address these new products. We must remember that vast amounts of money are being expended on the research and development of transgenic foods and of course there are considerable profits to be made from their sale. These are huge interests, and it is for these very reasons that we must make sure the debate is not overrun at the expense of the concerned consumer voice.

The Democrats maintain that the parliament has a role in overseeing the development of such a regulatory scheme in which the community can have confidence that their concerns are being heard and dealt with. I do not believe this is happening for labelling, because we are being duped by half-truths and so-called experts. What we need is an inclusive discussion that takes into account the concerns of the community, which will mean that these types of technologies are not forced on us without full recognition of both the good and the bad aspects.

To ensure that we actually get the best, we have to consider the options available to us and choose a future that recognises the inavoidability of species, the dignity of individuals and the need to preserve naturally evolved life forms in their natural environments. There are bad aspects that consumers have concerns about in respect of these foods or genetically modified products.

Some of the consumer concerns I have been advised of include: the chance event of an inserted gene activating or increasing the production of a toxic or allergenic component in the food; the loss of nutritional value in the food; and the introduction of toxic or allergenic substances as a result of the insertion. Consumers have a range of concerns for health and other reasons.

Further, the possibility that there could be hundreds of thousands of genetically modified organisms in the environment will threaten our naturally evolved life forms in their natural environments. I mentioned that we have a responsibility to ensure that the cohort of presently existing organisms are maintained into the future, expressing their diversity and unique solutions to biology's challenges. These are a range of areas that have yet to be addressed as part of the broader debate about labelling. They are valid concerns for consumers, and they must be addressed.

I conclude by reiterating the Democrats' support for the minor improvements we are seeing in this bill. I add a further comment about the concerns that have been expressed in relation to the ACCC and their representative action powers. I confirm the position that Senator Woodley outlined earlier. I understand that Senator Andrew Murray will be moving an amendment to make the Democrat position clear on this matter. Unless a secondary boycott involves competition issues, we do not believe that the ACCC should be involved. That was the longstanding policy position of the ACCC's predecessor—the Trade Practices Commission—from 1977 to 1996. I understand that Senator Murray will be moving amendments that reflect our concern about the bill as it is currently outlined and also to make clear our position on this issue.

I commend the debate—not just the parliamentary debate but a broader community debate on labelling, and not just on country of origin, although I think that is fundamentally important. From a Democrat point of view, it is certainly high time for that debate. We were wondering how many private members' bills and debates we were going to have to bring on in this place before we saw some progress. Unfortunately, we did not see progress under the former government. We are not convinced that this government has gone far enough, but it is a start and a debate that we welcome and will be strongly engaged in.