RESPONSES FROM
DEPARTMENT OF , INDUSTRY, INNOVATION SCIENCE, RESEARCH AND TERTIARY EDUCATION

QUESTION: Senator XENOPHON: Has the department done any scoping of some of the suggestions put by the Blewett review into food labelling about having a traffic light system for labelling?

RESPONSE: The Hon Nicola Roxon MP, Minister for Health and Ageing and The Hon Catherine King MP, Parliamentary Secretary for Health and Ageing released the Government Response to the Review on 30 November 2011. It noted that "the Government does not support traffic light labelling at this time". During consultation with stakeholders, it was concluded that there is currently not enough evidence to demonstrate that any of form of front-of-pack labelling, including traffic light labelling and the daily intake guide, provides Australians with the nutritional information they need to make informed choices. However, the Government does propose that work begin with consumer groups, public health groups and the food industry to develop a single front-of-pack labelling model that can provide consumers with better nutritional information. DIISRTE participated in the preparation of the Government Response but has not done any independent scoping of the Blewett review items in relation to traffic light system for food labelling.

QUESTION: Senator EDWARDS: What are the mechanical things, the operational mechanisms, which you are going to do to address high input costs, low margins, lack of skilled workforce and everything like that? You can take that on notice.

RESPONSE: There is no doubt the manufacturing sector is suffering from a high Australian dollar and higher input costs. Despite this the sector is a growing and evolving one with over 230,000 employees and over 12,400 businesses, nearly 99% of which are SMEs. However, the sector must improve its productivity to be globally competitive. DIISRTE is engaged in a range of activities designed to assist the food processing sector confront some of these challenges. These programs and policy initiatives are designed to encourage innovation, investment and lift productivity.

- **The Food Processing Industry Strategy Group is developing an innovation strategy for the food processing industry that will help build a more competitive and sustainable industry, increasing innovation, investment and employment.**

- **The Food Processing Industry Support Network through Enterprise Connect brings together Business Advisers with sector specialist expertise and networks to help businesses in the food processing industry to improve their operations, productivity, competitiveness and sustainability.**

- **Through AusIndustry, Enterprise Connect, CSIRO and the Co-operative Research Centres, the Government has provided financial and other assistance to many entities involved in the food processing industry.**

· **The R&D Tax Incentive which replaced the R&D Tax Concession on the 1st July 2011 will encourage industry to conduct research and development activities.**

· **The *Clean Technology – Food and Foundries Investment Program* provides up to $150 million over six years to food and beverage manufacturers to invest in energy-efficient equipment and low-pollution technologies, processes and products.**

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Senator XENOPHON: What work has DIISRTE done in relation to feedback from Treasury [about providing information to consumers to aid their understanding of Australia's origin labelling requirements]?

RESPONSE: On 6 March 2012, the Department of Industry, Innovation, Science, Research and Tertiary Education (DIISRTE) and other agencies were invited to attend a Consumer Affairs of Australia and New Zealand (CAANZ) meeting of officials. At that meeting, Commonwealth agencies provided an overview of Australia's country of origin labelling policy and legislative framework. Commonwealth agencies also outlined a proposal for a working group to be established to review country of origin labelling guidance material in consultation with state and territory consumer affairs agencies, consistent with the response by the Council of Australian Government's (COAG) Legislative and Governance Forum on Food Regulation (FoFR) to Recommendation 42 of the Blewett Review of Food Labelling Law and Policy. DIISRTE was advised in May 2012 that FoFR had endorsed the working group proposal in April 2012. Treasury and DIISRTE have since agreed that the first formal meeting of the working group is to be scheduled for July or August 2012.

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