



Jan 07, 2008

**PAPER ON ORGANIC SYSTEMS FOR THE CONSIDERATION OF THE PRIMARY INDUSTRIES
STANDING COMMITTEE.**

The Organic Federation of Australia

The Organic Federation of Australia (OFA) was established in 1998 as the peak body for the organic sector in Australia. Its role is to work in co-operation with all sectors of the movement, industry and government to develop the Australian organic sector into a major component of the Australian community delivering benefits to consumers, traders, producers and the environment

The OFA fulfills a unifying national role for the organic sector by representing the interests of Australia's organic and biodynamic producers to industry and governments at the local, State and Federal level.

The OFA is the only fully representative National Organic Body and includes all sectors: Certifiers, horticulture, broadacre agriculture, meat production, wholesalers, exporters, retailers, consumers, processors, input suppliers, regional and allied organisations, education and research.

Recommendation:

That all primary industry departments work with the Organic Federation of Australia as the national peak body for the organic sector and assist it to increase and improve organic production through existing programs.

The Australia Standard for Organic and Biodynamic Produce

The value of the organic market, according to OFA discussions with key industry stakeholders is around \$500 million at retail and growing at between 30-50% PA. It is important that consumers can have a guarantee of the integrity of the organic products that they purchase.

The OFA regards the absence of regulation of organic products in the Australian market as a significant problem. This was highlighted in a 2006 Federal Court decision by the Hon. Justice Gray who stated: *'attempts to overcome the lack of clear criteria by which it can be said eggs are, or are not, organic have been unsuccessful'*.

The basis of establishing a regulatory system will be the Australian Standard for Organic and Biodynamic Products, due for completion in December 2008.

Certification of organic products must be mandated in regulation when the Australian Standard is 'called up' into the relevant regulatory systems. This will simplify the work of ensuring that products labelled as organic/biodynamic comply with the standard. It would mean that regulatory authorities would only have to determine if a product has the correct certification label rather than determining through the courts if a product meets a production standard. This will significantly reduce compliance and investigation costs for regulatory authorities when a complaint is made.

The position of the OFA, based on widespread organic sector stakeholder consultation, is that the sales of products labelled as organic or biodynamic to come under the jurisdiction of the existing Australian regulatory systems that ensure fair trading and consumer protection. The Australian Standard for Organic and Biodynamic Products can be called up by Federal, State and Territory regulatory agencies as the definition of 'organic'. This would mean that if complaints were made to these organisations about the validity of the organic products, they could use the standard as the benchmark to establish whether the labelling is false or misleading.

The OFA believes that the appropriate starting point is SECT 65E of the TRADE PRACTICES ACT 1974. This would have to be declared by the Commonwealth Minister responsible for the Act.

TRADE PRACTICES ACT 1974 - SECT 65E

Power of Minister to declare product safety or information standards

(1) The Minister may, by notice in writing published in the Gazette, declare that, in respect of goods of a kind specified in the notice, a particular standard, or a particular part of a standard, prepared or approved by Standards Australia International Limited or by a prescribed association or body, or such a standard or part of a standard with additions or variations specified in the notice, is a consumer product safety standard for the purposes of section 65C or a consumer product information standard for the purposes of section 65D.

(2) Where a notice is so published, the standard, or the part of the standard, referred to in the notice, or the standard or part of a standard so referred to with additions or variations specified in the notice, as the case may be, shall be deemed to be a prescribed consumer product safety standard for the purposes of section 65C or a prescribed consumer product information standard for the purposes of section 65D, as the case may be.

Food Standards Australia New Zealand (FSANZ)

Under a memorandum of understanding (MOU) between Standards Australia and Food Standards Australia New Zealand (FSANZ), an Australian Standard can be called up into the FSANZ Food Standards Code.

Organic produce is already included in the Food Standards Code as there is a new exemption for folate fortification in organic flour. The OFA believes that the Australian Standard for Organic and Biodynamic Products needs to be called up into the Food Standards Code as the definition of 'organic' for products produced and sold in Australia. It is important that only one definition of organic is used by all of Australia's regulatory agencies – The Australian Standard for Organic and Biodynamic Products.

That the industry development committee under PISC consider the following OFA recommendations

- ***Products labelled as organic or biodynamic come under the jurisdiction of the existing Australian regulatory systems***
- ***The Australian Standard for Organic and Biodynamic Products to be declared by the responsible Minister under the TRADE PRACTICES ACT 1974 - SECT 65E***
- ***The Australian Standard for Organic and Biodynamic Products to be called up into the FSANZ Food Standards Code as the definition of organic.***
- ***The certification of organic products be mandated in regulations***

R&D issues

The organic sector is currently one of the fastest growing industries in Australia and around the world and has the potential to provide a wide range of jobs and other opportunities across the supply chain in regional, rural and urban Australia.

Peer reviewed scientific research shows considerable environmental benefits of organic farming systems. These include better water use efficiency, energy use efficiency and soil carbon sequestration as well as increased biodiversity. There are flow on benefits to other industries from these methods.

The under investment in organic research has to be corrected in order to address the chronic shortages of supply in key areas. Australia is currently importing many organic products including organic grains and is missing out on lucrative export markets for many organic products, especially grains and dairy products.

Organic Levies

Research by the Rural Industries Research and Development Corporation (RIRDC) shows that organic farmers pay more in levies to R&D corporations than the amount spent on R&D into organic

systems. RIRDC has proposed that the levies paid by organic producers to be used to fund organic research in partnership with RIRDC and industry.

The information gained from organic research can bring benefits to all of agriculture with reduced soluble fertiliser and pesticide use as well as greater water efficiency and soil carbon sequestration.

Recommendation:

That PISC ask DAFF to consider how all Research and Development Corporations could contribute to organic research in partnership with RIRDC

The Organic Hub

RIRDC has commenced the implementation of The Organic Hub. This will be a virtual library accessed from the RIRDC website. It will compile all the available organic research as well as presenting research that will help farmers convert to organic systems and improve the production of existing organic farmers.

This information can be used by all primary producers and researchers, not just organic farmers and will have wider benefits.

Recommendation:

That all primary industry departments give consideration to working with RIRDC to fund and contribute to The Organic Hub

Organic Industry Data

Statistics on the organic industry are not collected by any agency or department in Australia. This makes it very difficult to have adequate data for planning and investment in the Australian Organic Sector.

Recommendation:

That DAFF give consideration to include organic production as a category in ABARE surveys.

GMO issues

All producers should have the right to ensure that their products are uncontaminated by chemical and GMO drift from other producing sectors. This means that the introduction of GMO's should be based on similar regulatory guidelines for chemical overspray and drift from neighbouring farms as well as the legal principles based on fair compensation for loss of income, loss of value of property and damage to property.

Recommendation:

That the appropriate Federal, State and Territory regulatory agencies work with the OFA on;

- 1. The appropriate segregation regulations to ensure that organic and other products are not accidentally contaminated with GMO products or transgenic DNA.***
- 2. Legislation that allows fair compensation for financial losses that occur due to GMO contamination.***

Yours Sincerely,

Organic Federation of Australia



Andre Leu
Chairman