



## **OLIVE OIL INDUSTRY**

Mr PICCOLO (Light) (15:39): Members of the house would be aware that the Australian olive oil industry is currently lobbying government to impose safeguards against the importation of olive oil that is contaminated with lower quality refined products, such as vegetable oil and canola.

Given that currently around 80 per cent of the olive oil consumed in Australia is imported, it is of further concern that a considerable proportion of this contaminated product is also mislabelled. Indeed, the Australian Olive Association cites laboratory evidence that up to 50 per cent of imported olive oil is incorrectly labelled as extra virgin olive oil.

More alarming still, an independent Australian Oils Research Institute investigation recently revealed that six out of nine imported oils labelled as extra virgin did not comply with the Codex Alimentarius and International Olive Oil Council standards requiring purity and a free acidity content of not more than 0.8 grams per 100 grams.

The remaining three oils tested not only failed to satisfy international standards, but were further characterised under the more stringent German specifications as an inferior product. Despite that fact, contaminated olive oil continues to be mislabelled and sold at a premium price to unsuspecting Australian consumers. This is an equally sensitive issue for the local olive industry, with growers arguing that a lack of import surveillance and inadequate penalties for false and misleading labelling has made Australia a lucrative destination for these low-grade oils and blends.

Adding to industry concerns, the Australian Competition and Consumer Commission has conceded that the management of breaches in relation to extra virgin olive oil versus virgin olive oil versus extra light is not clear, as there is no national standard that would apply to both Australian and imported olive oils.

The olive industry has responded to the problems raised here by calling for the establishment of specific guidelines in the Australia New Zealand Food Standards Code, which would enable the enforcement of olive oil standards under state food acts and at the border by the Australian Quarantine and Inspection Service.

While previous governments have proven reluctant to bear the costs associated with the creation and enforcement of quality standards in the Food Standards Code, the Australian Olive Association insists that government must now work with industry to ensure the routine testing of products, the monitoring of compliance standards and the introduction of tougher laws to deal with offenders.

In the interim, participating Australian growers have adopted measures designed to ensure the authenticity and quality of locally produced olive oil with the introduction of the Australian Extra Virgin brand. This comprehensive code of practice enshrines traceability, a food safety program, a compliance program, a complaints response system, quality and labelling guidelines and an environmental program. The code also incorporates chemical and taste testing.

This initiative is particularly important, as the domestic olive oil industry makes a significant contribution to regional economic development (like my electorate) with olive oil exports valued at over \$15 million a year. Driven by increasing consumer demand for locally grown high-grade Australian produce, it is expected that annual olive oil production levels will, indeed, double within just five years.

In support of this growing industry, I understand that the Premier has already written to the ACCC to seek assistance in cracking down on false and misleading labelling, while the federal Minister for Agriculture, Tony Bourke, is also working towards ensuring that olive oil consumers get what they are paying for.

From my perspective, incorrectly labelled and contaminated olive oil products not only undermine consumer confidence but also unfairly compete with genuine extra virgin olive oil manufactured in my electorate and throughout Australia. I therefore commend the Premier and the federal Minister for Agriculture for their support of local industry, and I will await with interest any resolutions on this important matter. It is a case of not all oils are oils.