

***STAKEHOLDER FORUM
MELBOURNE
JUNE 19 2009***

Good Morning. My name is Anne Astin and I am the Chair of the Implementation Sub Committee. I would like to welcome you all to the inaugural Stakeholder Forum hosted by the Implementation Sub Committee and appreciate you giving your time so generously today. Our Forum is being held on the traditional country of the Kulin Nation. I wish to acknowledge the people of the Kulin Nation as the traditional owners of the country and I pay my respects to their elders and to the elders of all other indigenous communities who may be here today.

All governments take responsibility for consumer protection, both domestic and foreign, very seriously. A 2005 report, *Foodborne illness in Australia: annual incidence circa 2000* by (Hall & Kirk 2005), provides the most comprehensive assessment of Australia's annual incidence of foodborne illness. That report showed that contaminated food caused approximately 5.4 million cases of gastroenteritis per year, along with 6,000 non-gastrointestinal illnesses and 42,000 episodes of long-term effects. Foodborne illness also led to 1.2 million visits to medical practitioners, over 300,000 prescriptions for antibiotics and 2.1 million days of work lost each year. The total cost of foodborne illness is estimated at \$1.25 million per annum. This is a staggeringly high figure which burdens governments, business and consumers alike.

Consumers across the world expect that governments will protect them from foodborne illness through the effective management of, and requirements on, the food safety control systems used by the food production and processing sectors. Government health agencies typically set an appropriate level of protection for a number of health concerns, whereas food standards and regulatory bodies tend to use microbiological criteria for foods, most often at the end product stage at the completion of manufacturing.

There are many indicators to suggest that human health and hygiene requirements in future will intensify progressively rather than be liberalised.

These indicators emerge from:

- general increases in consumerism and the associated demands by government for businesses to improve standards in health and hygiene, the environment and work safety practices;
- the internet which allows greater public awareness of health associated risks through media including melamine, BSE and E. coli 0157;
- public debate on issues such as genetically modified foods, food irradiation, health claims, country of origin labelling, allergens, nutrition and obesity;
- far greater cultural diversity and innovation, including advances in technology and biotechnology;
- improved analytical techniques for detecting and identifying pathogens and chemical residues; and
- new organisms of concern as well as the spread of known pathogens.

With global sourcing and internationalisation or at least, regionalisation driving food industry and consumer trends, food borne illnesses no longer have boundaries.

Over the last 50 – 75 years, advances in knowledge of food science and microbiology have lead to the introduction of more definitive and prescriptive management systems. It has now reached the stage where businesses are overly burdened with red-tape and bureaucratic requirements that, in an effort to maintain control of consumer safety have become barriers to competitiveness and innovation.

To respond to this changing and increasing complexity, there have been a range of regulatory systems established around the world to manage food safety. In a few countries, there is little centralised management. China has been one outstanding example of this, but with the recent melamine incident it has announced sweeping new laws including centralised administration and amendments to a range of current

food standards. This will now align with countries such as the US, New Zealand, Denmark and the UK. In Australia, a “virtual” system operates with state and jurisdiction-based regulatory systems supported by a national standards setting body, FSANZ and a national manager of quarantine and export certification, AQIS.

To compare the two approaches is a research study in itself and to some extent this has been done on a number of occasions in Australia in the past decade. We have had the “Three Bs” – Blaire, Banks and Business Regulation and Competition Working Group (BRCWG) and the Productivity Commission is currently undertaking a fourth “B” – Benchmarking the food regulatory burden on industry. The Food Regulation Standing Committee and Implementation Sub Committee (ISC) were established by Government within the food regulatory framework to streamline both the policy development processes and implementation and enforcement of regulations.

The journey appears to have been long and arduous, but in the overall scheme of things, much has been achieved in what has been nearly a century of food regulation in this country. Following the Blair review, the Development and Implementation Sub-Committee (DISC) established the foundations and scope of the bi-national co-operative arrangements that were to be put in place and much of the early work that focussed on the development of common goals and relationships was critical to the sustainability of the model we now have.

DISC then evolved into ISC and the next two years delivered the ISC “Bible”, the Strategy for Consistent Implementation of Food Regulation in Australia. This Strategy, with its 8 components, received Ministerial endorsement in October 2005 and is still the driving framework for ISC work. It has determined the *modus operandii* for the Committee and saw the beginnings for alignment of Primary Production and Processing Standards with Chapters 1,2 and 3 of the Food Standards Code.

The following two years saw the development of what I call the fundamental “Building Blocks” for implementation of the Strategy. Achievements in this period included a three year National Co-ordinated Survey Plan for Food Surveillance and Monitoring, a National Food Incident Response Protocol which has now been road-tested on several occasions including seed sprouts and melamine and is reviewed following each incident and more streamlined operation of the National Food Recall Protocols. Under FRSC’s direction, the Health Claims Watchdog was established and provided regular reports on related issues. There were a number of “Operational” Policies that were needed to further support consistent implementation and enforcement – these included the National Food Safety Audit Policy and the current draft National Enforcement Policy. During this period, the strengthening of relationships between State and Local Government started and we saw the start of “pooling” and “sharing” resource materials for consumer education and industry information to support the regulatory framework – “not re-inventing the wheel”.

We are mid way through my two year term as the Chair of ISC having been through the “Creation, Establishment and Building Blocks” stages, we are now at the point where “the Rubber Hits the Road”. In the past year, ISC has been completing some unfinished matters which you will hear about today. These include the matters of consistent compliance through the national guideline for auditor management and consistent enforcement through the testing of the draft national enforcement policy. The other focus has been on consistency of implementation and the trial of a draft integrated model for standards development and consistent implementation using the egg standard as a case study. These are three of the six priorities for ISC action identified by FRSC. These priorities are driving a particularly challenging ISC agenda.

These challenges stem from the complexity of agencies involved in food regulation and without the commitment and co-operative spirit that operates at ISC, there would not have been the progress I have described. Increasingly, all jurisdictions but particularly the smaller ones have extremely limited resource capacity to participate

in, contribute to and lead the work required to deliver consistent implementation as well as to provide support to ensure delivery of the changes needed to meet stakeholder expectations.

The greatest opportunities for ISC to further improve consistency of interpretation and implementation of food standards are emerging through the continuing shift from “compliance - driven” to “performance- based” approaches to enforcement of food standards.

The use of minimum effective regulation by Government provides a means of reducing the regulatory burden on businesses, allowing the regulator to direct resources to areas of greatest need. Compliance and enforcement policies need to be complementary and recognise the need to educate and enhance food safety, hygiene and handling capabilities of those who operate food businesses as well as the ability to recognise alternate compliance methodologies and non-prescriptive regulation that is adaptable to changing industry, business and consumer needs.

Two key regulatory approaches are emerging –

- The ‘preventative approach’ which encourages compliance and can be adapted to improve effectiveness and create greater efficiencies for government and business. Through this approach both quantitative and qualitative data can be generated, in some cases using ‘real-time’ data; and
- The ‘reactive approach’, which relies on enforcement and is generally evaluated through quantitative data such as number of prosecutions, notifications, complaints and notices issued.

It should be emphasised that both approaches are valid and need to be exercised when appropriate.

There is increasing emphasis on food businesses to implement systems that demonstrate compliance with food standards and regulations. However, governments are still accountable for ensuring the health and safety of consumers. To ensure the success of these new approaches open and transparent dialogue between governments at all levels, food businesses and consumers is a requirement. Another factor is to extend the collaboration between these participants and achieve collectively those things that we can no longer achieve alone. I hope today that the discussions and deliberations will start to address those things that we can do collectively. I look forward to participating and listening during the day to a successful forum.