

# Australian Food and Grocery Council SUBMISSION

NOVEMBER 2012

**TO:**  
FOOD STANDARDS AUSTRALIA NEW ZEALAND

**IN RESPONSE TO:**  
A1069 IRRADIATION OF TOMATOES & CAPSICUMS

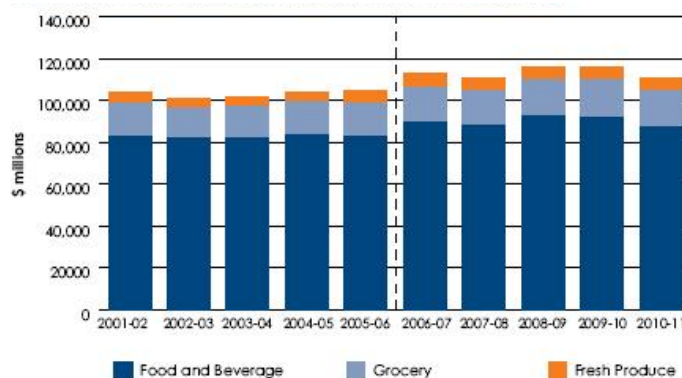


Australian Food and Grocery Council

The Australian Food and Grocery Council (AFGC) is the leading national organisation representing Australia's food, drink and grocery manufacturing industry.

The membership of AFGC comprises more than 150 companies, subsidiaries and associates which constitutes in the order of 80 per cent of the gross dollar value of the processed food, beverage and grocery products sectors.

Figure 1. Composition of the industry's turnover (\$2010-11)



Source: Based on ABS, catalogue number 8221.0 and 8159.0

With an annual turnover in the 2010-11 financial year of \$110 billion, Australia's food and grocery manufacturing industry makes a substantial contribution to the Australian economy and is vital to the nation's future prosperity.

Manufacturing of food, beverages and groceries in the fast moving consumer goods sector<sup>1</sup> is Australia's largest manufacturing industry. Representing 28 per cent of total manufacturing turnover, the sector the second largest industry behind the Australian mining sector and accounts for over one quarter of the total manufacturing industry in Australia.

This diverse and sustainable industry is made up of over 22,600 businesses and accounts for over \$49 billion of the nation's international trade. These businesses range from some of the largest globally significant multinational companies to small and medium enterprises. The industry spends \$466.7 million a year on research and development.

The food and grocery manufacturing sector employs more than 296,300 Australians, representing about 3 per cent of all employed people in Australia, paying around \$11.3 billion a year in salaries and wages.

Many food manufacturing plants are located outside the metropolitan regions. The industry makes a large contribution to rural and regional Australia economies, with almost half of the total persons employed being in rural and regional Australia<sup>2</sup>. It is essential for the economic and social development of Australia, and particularly rural and regional Australia, that the magnitude, significance and contribution of this industry is recognised and factored into the Government's economic, industrial and trade policies.

Australians and our political leaders overwhelmingly want a local, value-adding food and grocery manufacturing sector.

<sup>1</sup> Fast moving consumer goods includes all products bought almost daily by Australians through retail outlets including food, beverages, toiletries, cosmetics, household cleaning items etc.

<sup>2</sup> About Australia: [www.dfat.gov.au](http://www.dfat.gov.au)

## 1. INTRODUCTION

The Australian Food and Grocery Council (AFGC) welcome the opportunity to make this submission to Food Standards Australia New Zealand (FSANZ) in response to the call for submissions – Application A1069, Irradiation of Tomatoes and Capsicums.

AFGC notes the intent of this application is to amend Standard 1.5.3 – Irradiation of Food, in the Australia New Zealand Food Standards Code (the Code), to permit the irradiation of tomatoes and capsicums as a phytosanitary measure, since the use of dimethoate for this purpose has now been restricted.

This submission is in two parts:

1. Overall position and recommendation; and
2. Specific comment on matters in the assessment report.

## 2. OVERALL POSITION

The AFGC **supports** this application on the basis that there is no identified risk to public health and safety and FSANZ has established that there is a technological need to irradiate tomatoes and capsicums (up to a maximum dose of 1kGy). In addition, irradiated tomatoes and capsicums are as safe and nutritious as non-irradiated tomatoes and capsicums.

AFGC acknowledges FSANZ has concluded available studies indicate that irradiating tomatoes and capsicums does not pose a significant human health risk for Australian or New Zealand consumers.

AFGC acknowledges that, having established that irradiation of a particular food is safe and approved for use; it is up to companies and individuals to make their own independent commercial decision as to whether or not to use the product and label product accordingly as required by clause 6 to Standard 1.5.3.

**AFGC Recommendation – support option 1 - Prepare a draft variation to Standard 1.5.3**

### 3. SPECIFIC COMMENTS

The AFGC accepts that irradiation is a legitimate phytosanitary treatment for pest disinfestation.

#### 3.1. Risk Management

AFGC supports the risk management requirements recommended by FSANZ for inclusion in the Standard as follows:

- irradiation of tomatoes and capsicums only for the purposes of pest disinfestation for a phytosanitary objective;
- adherence to a minimum dose of 150 Gy and a maximum of 1 kGy; and
- additionally, the current mandatory labelling of irradiated foods and record keeping requirements will apply to irradiated tomatoes and capsicums.

#### 3.2. Cost Benefit Analysis

Option 1 – Prepare a draft variation to Standard 1.5.3

##### Consumers

A further additional cost to consumers could arise due to the requirement for labelling of irradiated tomatoes or capsicums as required under clause 6 of Standard 1.5.3. Currently these products are not required to be labelled for the presence of dimethoate, whereas, treatment by irradiation requires a label declaration or

*“there must be displayed on or in connection with the display of the food a statement that the food has been treated with ionising radiation, or that it contains an ingredient or component that has been treated with ionising radiation, as the case may be.”*

This requirement will add cost by way of the requirement to update product labels and the provision of signage at the point of sale for unpackaged produce.

##### Industry

The cost to industry for labelling of irradiated foods has been recognised as a “voluntary” cost. AFGC would argue that the cost will not be voluntary if manufacturers only have access to produce that has been irradiated. In the situation where manufacturers may have access to both irradiated and non-irradiated produce at different times of the year, there will also be a cost for maintaining 2 different label stocks – one declaring the use of irradiated produce and one without. This potentially makes Australian products using such ingredients less competitive when compared to imported equivalent products that are not irradiated.

In addition to the cost for labelling there may be added cost within the supply chain due to the requirements to track, and possibly segregate, irradiated produce to ensure that labelling requirements are met.

### 3.3. Draft Explanatory Statement

#### 3.3.1. Consultation

AFGC query the following statement on page 14 of the call for submissions document:

*“A Regulation Impact Statement (RIS) was not required because the proposed variation to Standard 1.5.3 is likely to have a minor impact on business and individuals and is deemed to be a de-regulation.”*

AFGC query how this measure is this deemed to be a “de-regulation”.

The application is to add to permissions to an existing regulation, however, the use of irradiated produce adds regulation due to the requirement to label products which have been irradiated. As noted under section 3.2, FSANZ have not considered the impact to industry of the additional cost involved to label irradiated foods.

Level 2, Salvation Army House  
2–4 Brisbane Avenue  
Barton ACT 2600

Locked Bag 1  
Kingston ACT 2604

T: (02) 6273 1466  
F: (02) 6273 1477  
afgc@afgc.org.au  
www.afgc.org.au

# Australian Food and Grocery Council

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- Metarom Australia P/L
- Mrs Mac's Pty Ltd
- Murray Goulburn Co-operative Co Ltd
- Myosyn Industries Pty Ltd
- Nerada Tea Pty Ltd
- Nestle Australia Ltd
- Nutricia Australia Pty Ltd
- Ocean Spray International, Inc
- Only Organic 2003 Pty Limited
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- Pfizer Consumer Healthcare
- Popina (Vic) Pty Ltd
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- SunRice
- Swisse Vitamins Pty Ltd
- Tasmanian Flour Mills Pty Ltd
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- The Smith's Snackfood Company
- The Vege Chip Company
- The Wrigley Company Pty Limited
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- Unilever Australasia
- Vital Health Foods (Australia) Pty Ltd
- Ward McKenzie Pty Ltd
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- Yum! Restaurants Australia Pty Ltd
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- Baker & McKenzie
- Benchmarking for Performance(B4P)
- Bizcaps Pty Ltd
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- CHEP Asia - Pacific
- CROSSMARK Asia Pacific
- CSIRO Food and Nutritional Sciences
- Dairy Australia
- Ettlin International Pty Ltd
- Food Allergen Control Training Analysis(FACTa)
- Food Liaison Pty Ltd
- Foodbank Australia Ltd
- Grain Growers Ltd
- Grant Thornton
- GS1 Australia Ltd
- Harris Smith
- IBM Australia Ltd
- Investment Attraction/trade and Investment Queensland
- King & Wood Mallesons
- KPMG
- Legal Finesse
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- Logan City Council
- Meat and Livestock Australia
- Monsanto Australia Ltd
- New Zealand Trade and Enterprise
- Pacific Strategy Partners
- Red Rock Consulting
- Rentokil Initial Pty Ltd (Rentokil Pest Control)
- RQA Product Risk Institute
- S A Partners LLP
- Samples Express Pty Ltd
- Simons Green Energy Pty Ltd
- Six Degrees Executive Pty Ltd
- Spectrum Automation
- StayinFront Group Australia
- Strikeforce Alliance Pty Ltd
- Swire Cold Storage
- Swisslog Australia Pty Ltd
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- The Food Group Australia
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- Touchstone Consulting Australia Pty Ltd
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- Foodservice Suppliers Association of Australia
- Grains & Legumes Nutrition Council
- Private Label Manufacturers Association Australia/New Zealand

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