

**Submission to Food Standards Australia New Zealand on the  
Primary Production and Processing Standard for Meat and  
Meat Products 1<sup>st</sup> Assessment Report**

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**NSW Farmers' Association Background**

The NSW Farmers' Association (the Association) is Australia's largest State farmer organisation representing the interests of its farmer members – ranging from broad acre livestock, wool and grain producers, to more specialised producers in the horticulture, dairy, egg, poultry, pork, oyster and goat industries.

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## **Executive Summary**

- As noted in the *Primary Production and Processing Standard for Meat and Meat Products 1<sup>st</sup> Assessment Report* (the 'Report'), there are currently a number of highly successful, industry driven initiatives which promote food safety on-farm. The NSW Farmers Association (the 'Association') acknowledges the in-depth consideration given to these programs in the Report.
- Past experience has proven the agricultural industry is well suited to self-regulation and the Association supports the continuation of the status quo for the production sector, being a mixture of regulation and self-regulation.
- Producers are currently subject to, and meet, the stringent standards of export markets around the world, providing Australian consumers with world class food safety. The Association submits that these measures adequately prevent on-farm risks from affecting food safety and accordingly, is opposed to any unnecessary regulations or changes to the Code being introduced.
- The Association supports the selection of Option 1 from the Report, which supports the maintenance of the status quo, and strongly opposes the imposition of any further and unnecessary regulations on livestock producers.

## **Introduction**

The NSW Farmers' Association (the 'Association') welcomes the opportunity to comment on the Food Standards Australia New Zealand *Primary Production and Processing Standard for Meat and Meat Products 1<sup>st</sup> Assessment Report* (the 'Report').

The Association represents the interests of commercial farm operations throughout the farming community in NSW. Through its commercial, policy and apolitical lobbying activities it provides a powerful and positive link between farmers, the Government and the general public. The Association is the key state representative body for both intensive and extensive industries ranging from broad acre, meat, wool and grain producers, to producers in the horticulture, dairy, poultry meat, egg, pork, oyster and goat industries.

The Report puts forward three possibilities, two of which involve changes to the current system of regulation. As the peak representative for NSW meat producers, the Association has an interest in the outcome of this review and an obligation to assess the merits of any new regulatory burden on producers. Accordingly, the Association has assessed the necessity for regulations as described in Option Two and Option Three of the Report and holds the view that these are not in the interest of its Members or the wider community.

## **1. Current producer regulations**

### ***1.1 Industry based quality assurance programs***

While the Report covers industry based quality assurance programs, it should be noted that Livestock Production Assurance Level 1 ('LPA1') certifications for cattle, sheep and goats are now mandated under traceability regulations.

Current traceability regulations in NSW require any cattle, sheep and goats being sold through a saleyard to be accompanied by a National Vendor Declaration ('NVD'). The same applies to cattle sold directly to abattoirs and will also apply to sheep and goats from 1 January 2010. Currently most NSW processors require this already. While not compulsory, Australian Pork Limited's 2007 Traceability Audit found that 95% of producers were using the PigPass NVD system at that time.

In order to purchase and use LPA or PigPass approved NVDs, producers must be registered and be accredited with LPA1 or PigPass QA certification.

The effect of these regulations is that all cattle, sheep and goats which go to abattoirs for processing will need to be sourced from LPA1 accredited farms and accompanied by a NVD. An overwhelming majority of pigs are also be sourced from PigPass certified producers, with many processors requiring this as standard.

Sheep and cattle producers wishing to improve the saleability of their stock can also undertake a higher level of LPA certification ('LPA QA'). This involves animal specific programs such as Cattlecare and Flockcare. The Association actively encourages members to become involved in these programs.

The Association submits that the current two-tier quality assurance program and the use of NVDs adequately protects consumers from any on farm food safety risks.

## **1.2 Export requirements**

As outlined in the Report there are a number of requirements, including the existing standard, which apply to producers looking to service the export market. The Report does not take into account the importance producers place on these requirements. Through industry training, most producers are acutely aware of the effect that contravening these regulations would have on their livelihood. Industry bodies such as the Association provide an important network for communicating these messages to producers.

At this stage the Association does not foresee any benefit in terms of export product safety if further production standards were to be introduced.

## **1.3 Transport requirements**

In addition to coverage by broad animal welfare legislation, livestock transporters are increasingly taking up voluntary quality assurance programs such as Truckcare which is administered by the Australian Livestock Transporters' Association.

Truckcare claim to cover 25-30% of all transported livestock, and expect this figure to increase dramatically as people seek to comply with the *Land Transport Standards*, due to be legislated nationally around March 2010.

Given the relatively low risk posed to food safety by transportation, the Association does not believe that at this stage further regulations in this area are either necessary or desirable.

#### **1.4 Traceability**

The National Livestock Identification Scheme ('NLIS') aims to provide lifetime traceability for sheep, cattle, goats and pigs. There is now a national database in place for each species which records transactions and movements between properties, saleyards and abattoirs.

The current system is constantly reviewed to ensure it complies with the requirements of our domestic and international purchasers. The system complies with stringent European traceability requirements and its success is crucial to ensuring producers retain access to these important export markets.

New technologies are frequently examined to improve the system. For example, the Physi-Trace system in the pork industry adopts forensic science used by law enforcement to trace the origin of pork using its chemical composition. This technology could have positive implications for the entire meat industry.

*The current system is constantly reviewed to ensure [compliance]... its success is crucial to ensuring producers retain access to these important export markets.*

The Association submits that the current NLIS system provides adequate traceability to ensure any hazards can be successfully traced to their property of origin. The meat industry has contributed significant resources to this issue and the Association would discourage any regulatory intervention which could adversely affect the advancements made.

#### **1.5 Animal Welfare**

As outlined in the Report, a number of acts and codes of practice currently require producers to uphold minimum standards of animal welfare. Further, the Australian

Animal Welfare Strategy is currently updating the codes and converting them to species-specific Australian Animal Welfare Standards and Guidelines.

Given the new Standards and Guidelines and the limited food safety risks posed by poor animal welfare, the Association is opposed to any moves to introduce further animal welfare regulations under the proposed standard.

### **1.6 Feed safety**

Animal feed safety is closely regulated in a number of ways detailed in the Report. The Association supports the current system and actively encourages Members to purchase stock feed from FeedSafe accredited suppliers. In addition, the Association encourages the use of Commodity Vendor Declarations and By-product Vendor Declarations.

It is submitted that at this stage further regulations relating to feed are not necessary.

### **1.7 Chemical restrictions**

The National Residue Survey monitors levels of compliance in this area and found 99.79% compliance over the 07/08 financial year. Over 95% of funding for the National Residue Survey is provided by industry which is a clear indication of the meat industry's commitment to product safety.

The Association acknowledges the position of the Report that current regulatory and non-regulatory restrictions on chemical usage are providing a high level of public health and safety.

*The National Residue Survey found 99.79% compliance over the 07/08 financial year*

## **2. Self-regulation – benefits and considerations**

As noted by the Department of Agriculture, Fisheries and Forestry in its submission to the Treasury Taskforce (the 'Taskforce') on Industry Self-Regulation; *"self-regulation through industry-developed quality assurance systems is one way to deliver consistent quality in products while enhancing enterprise efficiency, adoption of world leading standards for Australian food products and a stronger consumer focus responsive to specific markets"*.

The Report also outlines a number of potential benefits derived from self-regulation. In addition, the Association seeks to emphasise the benefits of self-regulation in the agriculture industry below.

### **2.1 Flexibility to respond to changing consumer/market expectations**

Imposition of regulatory standards for the meat industry may lessen the industry's ability to adapt to a change in requirements from any of a number of export markets.

A government regulator is not the appropriate body to have carriage of these issues as it would implement a costly regime and makes redundant a number of industry funded and driven initiatives which currently oversee food safety, market access and other quality assurance requirements.

It is submitted that without these programs the meat industry's ability to respond to changes in importer's requirements would be adversely affected. A system whereby producers are striving to meet stringent international standards is also beneficial to domestic health and safety, as the highest standard required by an export market will be adopted by producers who also supply the domestic market.

### **2.2 Coverage of current protocols**

As the Report confirms there are a number of regulatory systems and industry initiatives aimed at promoting food safety on-farm. The Association believes that the LPA1 and PigPass programs have sufficient industry coverage to protect consumers from any farm-borne risks associated with their respective commodities.

The high degree of competition within the agricultural industry means that programs such as LPA QA are an attractive way for producers to differentiate their product and demand a premium. Strong competition is one of the hallmarks of an industry considered suitable for self-regulation according to chapter 5 of *Industry Self-Regulation in Consumer Markets* prepared by the Taskforce on Industry Self-Regulation.

The Association submits that the industry-wide coverage of the LPA1 and Pigpass programs, and strong incentives to take up additional voluntary programs such as LPA QA result in sufficient protection from farm-borne food security risks.



## **2.4 Industry suitability**

In its final report, the Taskforce on Industry Self-Regulation recommends self-regulation for industries which display a high degree of industry cohesion including active industry Associations. The agricultural industry is a clear example of such an industry.

Current quality assurance programs rely on industry owned bodies Meat and Livestock Australia, AUS-MEAT Limited and Australian Pork Limited for their administration. These organisations, funded by industry levy payers, are accountable to sheep, goat, cattle and pig producers. These organisations are well placed to implement and administer quality assurance programs for their respective industries on behalf of all producers. Given the efficacy of these bodies, supported by active associations such as NSW Farmers' Association, it is submitted that the current system of self-regulation is workable, proven and should be maintained.

## **3. Conclusion**

The Association supports the selection of Option 1 from the Report and strongly opposes the imposition of any further and unnecessary regulations on livestock producers.

### ***FSANZ PROPOSAL P1005 – Option 1, Status Quo***

FSANZ do not make any changes to the Code or propose any other regulatory changes. This current system is a combination of self-regulation of meat safety (and current legislation in place managing animal disease control, animal welfare, animal traceability, use of agriculture and veterinary chemicals and environmental issues) for the production sector and regulation for the processing sector.

Given the minimal risks involved for consumers and positive history of self-regulation under the current arrangements it is submitted that any new regulations would represent an unnecessary burden.

The structure of the agricultural industry, in addition to farmer's acute awareness of the effect poor food security would have on their viability, makes the continuance of self-regulation the best choice for both industry and consumers.

The Association would appreciate being contacted by FSANZ should any concerns arise during this process which could be resolved by industry rather than through regulations.

## **Acknowledgements**

*The Primary Production & Processing Standard for Meat & Meat Products First Assessment Report*, Food Standards Australia New Zealand

*Industry Self Regulation in Consumer Markets*, The Treasury, Taskforce on Industry Self-regulation

*Submission to the Taskforce on Industry Self-regulation*, Commonwealth Department of Agriculture, Fisheries and Forestry – Australia

*Pig Traceability Audit*, Symbio Alliance for Australian Pork Limited, 2007