



AUSTRALIAN
FOOD AND GROCERY
COUNCIL

SUBMISSION

SUBMISSION TO

Food Standards Australia New Zealand

IN RESPONSE TO

**P1007 - Primary Production & Processing
Requirements for Raw Milk Products**

17 September 2008

PREFACE

The Australian Food and Grocery Council is the peak national organisation representing Australia's packaged food, drink and grocery products industry.

The membership of the 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 highly processed food, beverage and grocery products sectors. (A list of members is included as Appendix A.) The AFGC represents the nation's largest manufacturing sector. By any measure Australia's food, drink and grocery products industry is a substantial contributor to the economic and social welfare of all Australians. Effectively, the products of AFGC's member companies reach every Australian household.

The industry has annual sales and service income in excess of \$70 billion and employs more than 200 000 people – almost one in five of the nation's manufacturing workforce. Of all Australians working in the industry, half are based in rural and regional Australia, and the processed food sector sources more than 90 per cent of its ingredients from Australian agriculture.

The AFGC's agenda for business growth centres on public and industry policy for a socioeconomic environment conducive to international competitiveness, investment, innovation, employment growth and profitability.

The AFGC's mandate in representing member companies is to ensure a cohesive and credible voice for the industry, to advance policies and manage issues relevant to the industry and to promote the industry and the virtues of its products, enabling member companies to grow their businesses.

The Council advocates business matters, public policy and consumer-related issues on behalf of a dynamic and rapidly changing industry operating in an increasing globalised economy. As global economic and trade developments continue to test the competitiveness of Australian industry, transnational businesses are under increasing pressure to justify Australia as a strategic location for corporate production, irrespective of whether they are Australian or foreign owned. In an increasingly globalised economy, the ability of companies to internationalise their operations is as significant as their ability to trade globally.

Increased trade, rationalisation and consolidation of businesses, increased concentration of ownership among both manufacturers and retailers, intensified competition and dynamic, increasingly complex and demanding consumers are features of the industry across the globe. Moreover, the growing global middle class of consumers is more sophisticated and discerning, driving innovation and differentiation of products and services.

The AFGC is working with governments in taking a proactive, even tactical, approach to public policy to enable businesses to tackle the threats and grasp the dual opportunities of globalisation and changing consumer demands.

1 COMMENT ON APPLICATION

The Australian Food and Grocery Council (AFGC) welcomes this opportunity to make a submission to Food Standards Australia New Zealand (FSANZ) in response to the Discussion Paper on proposal *P1007 - Primary Production & Processing Requirements for Raw Milk Products*.

1.1 POLICY AND PRINCIPLES

Government policy is for minimum effective regulation, a policy that is fully endorsed by the AFGC. As has been noted by the Authority, this is reflected in the competition policy principles adopted by the Council of Australian Governments.

Regulation should be imposed only to ensure that minimum necessary regulations are maintained and detailed standards imposed only where necessary, consistent with fulfilling the objectives of the FSANZ Act. At the same time, regulation should be sufficiently flexible to encourage innovation.

It is also recognised through the various reports and inquiries into the food industry that a consistent national approach to regulation is essential and that the imposition of differing requirements through different State and Territory Governments and Local Governments should be avoided in order to reduce the regulatory burden on industry.

The AFGC notes that the imposition of regulation can impact the food industry not only in the production and processing areas, but also across the supply chain. Consistent, national regulatory frameworks blending regulation with appropriate self and co-regulation are key to avoiding adding unnecessary costs to the supply chain, leading to heightened industry efficiency, competition and innovation.

The AFGC supports, as one of the objectives of this proposal, the removal of inconsistent State-based legislation which permits the use of raw milk and raw milk products, particularly goat's milk in some States and not in others; while also removing the inconsistency introduced into the Food Standards Code making reference to legislation in other sovereign governments and not under the control of the Australia regulatory system.

2 SPECIFIC COMMENTS ON THE DISCUSSION PAPER

2.1 THE CATEGORY SYSTEM

The introduction of pasteurisation of milk is arguably one of the greatest achievements in public health and safety of the 20th Century. Any move to permit the sale of raw milk or the use of raw milk in the production of raw milk products for sale to the public should only be undertaken with the greatest care for the risks inherent in such a process and the capacity of industry and consumers to use the product safely. This places an obligation on FSANZ not only to develop the category-based approach, but also to develop rigorous specific requirements that include herd management, identification of critical control points, monitoring and validation systems, and trace-back systems to herd level.

The AFGC notes that the discussion paper presents the concept of a three-tier category system to enable consideration of risk and risk-management options for differing uses of raw milk.

The AFGC supports the principle of undertaking a preliminary risk categorisation of products which is determined in the basis of the effect production methods and intrinsic characteristics of the final products have on pathogen survival and growth. If the survival and growth of pathogens is more likely in some products, then these products present a greater food safety risk compared to products where pathogen survival and growth is less likely. However, it is critical to recognise that the risks are not simply those inherent in the finished product, but also the risks associated with the method of production.

It is also important to recognise that because the control and management of the herd is the primary tool in preventing food pathogens being present in the raw milk, that there is also the potential for the inappropriate use of antibiotics, the development of antibiotic resistant pathogens in herds and the selection of antibiotic resistant spoilage organisms. It is therefore essential that the evaluation of risk not only take account of the evidence of pathogen in raw milk, but the potential for increased risk to the dairy industry as a whole.

The AFGC notes that the evaluation of microbial risk needs to consider not only the potential presence of pathogenic bacteria which are relatively ubiquitous in the farming sector, such as Salmonella, Campylobacter or coagulase positive Staphylococcus; but that consideration is also be given to pathogens and viruses that occur less frequently and are difficult to detect due to their low numbers or difficulty to culture, such as Mycobacterium paratuberculosis and enteroviruses. Furthermore, consideration must be given to the normal spoilage flora likely to be present in unpasteurised milk and the potential to lead to increased spoilage risks.

In a commentary on foodborne disease outbreaks about a decade ago, Keene¹ states:

“There is no mystery about why raw milk is a common vehicle for salmonellosis and other enteric infections; after all, dairy milk is essentially a suspension of fecal and other microorganisms in a nutrient broth. Without pasteurization or other processing to kill pathogens, consumption of raw milk is a high-risk behaviour.”

The AFGC therefore supports this proposal on the basis that the categorisation system recognises the microbiological risks inherent in the three different categories, and that it provides an opportunity for risk management options across each category or class of risk. Such options need to take into account processor and supply chain behaviour as well as the risk-taking behaviour of the end-user.

The AFGC also notes that one of the critical features of such a system involves trace-back, not only to the dairy but to a specific herd. Where the management options rely on good agricultural practice and the maintenance of a ‘disease-free’ herd as the primary mechanisms to avoid disease outbreaks, investigation and trace-back to the herd is critical if raw milk and raw milk products are to be permitted.

¹ 1999. Keene, W. E. Lessons from investigations of foodborne disease outbreaks. *Jama* 281:1845-7.

2.2 EPIDEMIOLOGICAL EVIDENCE

The AFGC notes that the FSANZ paper specifically references the assessment of epidemiological data on the extent and cases of human disease associated with the consumption of raw cow and raw goat milk and milk products.

The AFGC is aware of several documented outbreaks occurring in Western Australia associated with both raw goat milk and raw cows milk in the late 1980's and early 1990's, and assumes that the Western Australian Department of Health be providing such data.

In addition, there is an extensive list of documented outbreaks associated with a wide variety of pathogens, from E.coli O157 to toxoplasmosis, reported in international literature. A 1998² study by Headrick et al is among the most frequently cited reviews of the epidemiology of raw milk associated outbreaks reported to CDC from 1973-1992. This study found that 46 raw milk associated outbreaks were reported from 21 states during the study period; the median number of illnesses per outbreak was 19 (range 2 to 190); the total number of illnesses over the 20-year period was 1,733. The majority of outbreaks were due to campylobacteriosis (57%) and salmonellosis (26%) followed by staphylococci food poisoning (2%) and E. coli O157:H7 (2%).

2.3 PROVISION OF ADEQUATE INFORMATION FOR CONSUMER CHOICE

The AFGC acknowledges that proponents of raw milk believe that while pasteurization removes some of the potential pathogens, it also eliminates some of the “healthy” benefits of the dairy product. The AFGC considers that whether or not there is any merit to such claims, if such products are made available for sale to the public it is essential that there is an appropriate mandatory warning statement that it is raw milk.

Considerations should also be given to requiring a specific warning statements that raw milk must not be given to children under the age of 2 years, pregnant women or the elderly as their immune systems are not fully functional and there is a high risk that if pathogens are present the consequences of consumption will more likely result in a sever and debilitating or fatal outcome.

There is a significant risk of the role of preventative health strategies being undermined by the unfounded assertions of proponents for raw milk through the perpetuation of anecdotal stories and myths related to the consumption of raw milk and pasteurised milk. It is therefore essential that labelling requirements for raw milk and raw milk products also consider prohibiting any claims that imply a benefit specific to raw milk. For example, it would be possible to state that a raw milk product was a good source of calcium, but not that it had more vitamins than pasteurised milk.

² 1998. Headrick, M. L., S. Korangy, N. H. Bean, F. J. Angulo, S. F. Altekruse, M. E. Potter, and K. C. Klontz. The epidemiology of raw milk-associated foodborne disease outbreaks reported in the United States, 1973 through 1992. *Am J Public Health* 88:1219-21.

APPENDIX A: AFGC MEMBERS AS AT 17 SEPTEMBER 2008

AAB Holdings Pty Ltd	Kellogg (Australia) Pty Ltd	Waters Trading Pty Ltd
Arnott's Biscuits Limited	Day Dawn Pty Ltd	Wyeth Australia Pty Ltd
Snack Foods Limited	Kikkoman	Yakult Australia Pty Ltd
The Kettle Chip Company Pty Ltd	Kimberly-Clark Australia Pty Ltd	
Asia-Pacific Blending Corporation Pty Ltd	Kerry Ingredients Australia Pty Ltd	
Ltd	Kraft Foods Asia Pacific	
Barilla Australia Pty Ltd	Lion Nathan Limited	Associate members
Beak & Johnston Pty Ltd	Madura Tea Estates	Accenture
BOC Gases Australia Limited	Manildra Harwood Sugars	Australia Pork Limited
Bronte Industries Pty Ltd	Mars Australia	ACI Operations Pty Ltd
Bulla Dairy Foods	Mars Food	Amcor Fibre Packaging
Bundaberg Brewed Drinks Pty Ltd	Mars Petcare	CHEP Asia-Pacific
Bundaberg Sugar Limited	Mars Snackfood	Concurrent Activities
Cadbury Schweppes Asia Pacific	McCain Foods (Aust) Pty Ltd	Dairy Australia
Campbell's Soup Australia	McCormick Foods Aust. Pty Ltd	Exel (Aust) Logistics Pty Ltd
Cantarella Bros Pty Ltd	Merino Pty Ltd	Focus Information Logistics Pty Ltd
Cerebos (Australia) Limited	Merisant Manufacturing Aust. Pty Ltd	Food Liaison Pty Ltd
Christie Tea Pty Ltd	National Foods Limited	FoodLegal
Clorox Australia Pty Ltd	Nerada Tea Pty Ltd	Food Science Australia
Coca-Cola Amatil (Aust) Limited	Nestlé Australia Limited	Foodbank Australia Limited
SPC Ardmona Operations Limited	Nestlé Foods & Beverages	IBM Business Cons Svcs
Coca-Cola South Pacific Pty Ltd	Nestlé Confectionery	innovations & solutions
Colgate-Palmolive Pty Ltd	Nestlé Ice Cream	KPMG
Coopers Brewery Limited	Nestlé Chilled Dairy	Lawson Software
Dairy Farmers Group	Nestlé Nutrition	Legal Finesse
Danisco Australia Pty Ltd	Foodservice & Industrial Division	Linfox Australia Pty Ltd
Devro Pty Ltd	Novartis Consumer Health Australasia	Meat and Livestock Australia Limited
Dole Australia	Nutricia Australia Pty Ltd	Monsanto Australia Limited
DSM Food Specialties Australia Pty Ltd	Ocean Spray International, Inc	PricewaterhouseCoopers
DSM Nutritional Products	Parmalat Australia Limited	Promax Applications Group Pty Ltd
Earlee Products	Patties Foods Pty Ltd	Sue Akeroyd & Associates
Ferrero Australia	Peanut Company of Aust. Limited	Swire Cold Storage
Fibrisol Services Australia Pty Ltd	Procter & Gamble Australia Pty Ltd	Swisslog Australia Pty Ltd
Fonterra Brands (Australia) Pty Ltd	Gillette Australia	The Nielsen Company
Foster's Group Limited	PZ Cussons Australia Pty Ltd	Touchstone Cons. Australia Pty Ltd
Fruco Beverages (Australia)	Queen Fine Foods Pty Ltd	Visy Pak
General Mills Australia Pty Ltd	Reckitt Benckiser (Aust) Pty Ltd	Wiley & Co Pty Ltd
George Weston Foods Limited	Ridley Corporation Limited	
AB Food and Beverages Australia	Cheetham Salt Limited	
AB Mauri	Sanitarium Health Food Company	PSF members
Cereform/Serrol	Sara Lee Australia	Amcor Fibre Packaging
Don	Sara Lee Foodservice	Bundaberg Brewed Drinks Pty Ltd
GWF Baking Division	Sara Lee Food and Beverage	Cadbury Schweppes Asia Pacific
George Weston Technologies	SCA Hygiene Australasia	Coca-Cola Amatil (Aust) Limited
Jasol	Sensient Technologies	Foster's Group Limited
Weston Cereal Industries	Simplot Australia Pty Ltd	Golden Circle Limited
GlaxoSmithKline Consumer Healthcare	Specialty Cereals Pty Ltd	Lion Nathan Limited
Golden Circle Limited	Spicemasters of Australia Pty Ltd	Owens Illinois
Goodman Fielder Limited	Stuart Alexander & Co Pty Ltd	Visy Pak
Meadow Lea Australia	Sugar Australia Pty Ltd	
Quality Bakers Aust Pty Ltd	SunRice	
H J Heinz Company Australia Limited	Swift Australia Pty Ltd	
Hans Continental Smallgoods Pty Ltd	Symrise Pty Ltd	
Harvest FreshCuts Pty Ltd	Tate & Lyle ANZ	
Heimann Foodmaker Group	The Smith's Snackfood Co.	
Hoyt Food Manufacturing Industries Pty Ltd	The Wrigley Company	
Johnson & Johnson Pacific Pty Ltd	Unilever Australasia	
Pfizer Consumer Health		

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