

ACKNOWLEDGED

PROPOSAL P1007 DISCUSSION PAPER FSANZ

We are arguably Australia's leading retailer of specialty cheeses having operated retail cheese stores for over sixteen years.

We believe that we have an intimate knowledge of the specialty cheese market in Australia and are well placed to comment on this issue from the perspective of the retailer. In addition, our day-to-day contact with the consumer means that we have a close understanding of their views with regards raw milk cheese.

THE AUSTRALIAN SPECIALTY CHEESE MARKET IN 2008

The Australian specialty cheese industry, whilst past its infancy, is still in its early stages of development.

Smaller producers regularly arrived on the scene during the 1990's with considerable fanfare. However many unfortunately disappeared after a few years of struggling to achieve an acceptable quality on a consistent enough level to enable profitability. This appeared to be due to a lack of cheese making expertise, a problem that continues to be a serious problem for small producers in Australia today.

The local specialty cheese market is now almost totally dominated by one big producer who largely focuses on supermarket trade. The product on offer through the supermarkets is broadly speaking of a blander nature, with 'safe' flavours, textures and aromas.

Whilst during the 1990's the often novice consumer would enthusiastically support the local product, irrespective of quality, times have now changed. The consumer's understanding of specialty cheese has increased dramatically and there is now a far better appreciation of flavours and textures and the consumer is without doubt more discerning.

Consumers now find themselves looking more and more towards the available range of imported cheeses to satisfy their requirements.

CONSUMER'S COMMENTS:

- a) Australian consumers naturally feel deprived as they become aware that most of the world's great cheeses are made from raw milk. Those that travel to countries such as the USA, Canada and the UK, where they discover wide selections of raw milk cheeses even in the supermarkets, feel particular outrage towards our policy makers.

- b) Consumers do not understand why food safety concerns regarding raw milk cheeses are handled by prohibition when other food safety issues such as those concerning the consumption of raw fish and meat, pregnant woman, etc are basically left to the public's general awareness.
- c) The consumer cannot understand how huge quantities of raw milk cheeses are consumed in countries all over the world if there is a legitimate public health threat. Their conclusion is that "if these cheeses are good enough for the rest of the world, especially the USA and the UK, then they must be ok for us".
- d) We hear regular accusations of the "nanny state" but furthermore, the consumer does not see logic or consistency in this protectionism.
- e) Regarding the local production of raw milk cheeses, they have an expectation that, as with all food production in Australia, suitable measures are in place to ensure an acceptable level of risk. If this cannot be ensured, they are absolutely accepting of the existing regime.
- f) Regarding what is considered to be "an acceptable level of risk", the consumer naturally demands a consistent approach across all foods. However, they believe that the bar is currently set far lower for raw milk cheeses than for other foods.

RETAILER'S COMMENTS:

- a) The range of specialty cheeses currently available in Australia is limited in terms of variety. The range of locally produced specialty cheeses develops slowly and is lagging behind a growing sophistication in the demands of the consumer.
- b) The demand for raw milk cheeses grows steadily in line with this increasingly mature consumer. The demand is not one for "raw milk cheeses" as such, rather requests for particular European cheeses that are made with raw milk.
- c) The consumer is of the understanding that raw milk cheeses generally offer greater character and perhaps more flavour than cheeses made from pasteurised milk.
- d) A key responsibility of the retailer is one of educating the customer as part of any transaction. This invariably involves references to the European "classics", many of which are not permitted to be imported to Australia. As many Australian cheeses are simply pasteurised copies, or variations, on these benchmarks cheeses, the perception of protecting local producers arises.
- e) Intentional or not, this 'protection' often provides artificial support for a sometimes poor quality local product and can be seen as being damaging for the development of the local industry.

- f) As retailer's we believe Australian consumers possesses the necessary understanding to judge for themselves any perceived risks in the consumption of raw milk cheeses against the benefits in consuming such products.

SCANNED

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Sent: Wednesday, 17 September 2008 5:58 PM
To: submissions
Subject: Proposal P1007
Attachments: PROPOSAL P1007 DISCUSSION PAPER FSANZ.doc

ENTERED IN SMS / CDS
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Dear Sir/Madam
Attached is our submission with regards the Proposal P1007 Discussion Paper.
Yours sincerely
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