

Food Regulation Inquiry  
Victorian Competition and Efficiency Commission  
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SUBMISSION BY **DAIRY AUSTRALIA** IN RESPONSE TO VCEC ISSUES PAPER –  
INQUIRY INTO FOOD REGULATION IN VICTORIA, OCTOBER 2006

Dairy Australia is the dairy industry's owned service company, limited by guarantee, whose members are farmers and industry bodies, including the Australian Dairy Products Federation (ADPF) and the Australian Dairy Farmers Limited (ADF). Dairy Australia welcomes the opportunity to comment on the Issues paper 'Inquiry into Food Regulation in Victoria' and does so on behalf of the dairy industry. This submission also supports submissions from the ADPF and United Dairyfarmers of Victoria (UDV).

**General comments**

The dairy industry has a long history of working in partnership with government agencies that are responsible for food regulation at both State and Commonwealth levels. In particular, the industry has a close working relationship with Dairy Food Safety Victoria (DFS), and the current regulatory framework that operates under the Dairy Act 2000 is testimony to the co-regulatory partnership that operates between the industry and this Authority.

The dairy industry strongly supports food regulation that is underpinned by the following core principles:

- Effectiveness and efficiency
- Science-based
- Outcomes focussed
- Proportionate to risk

The Dairy Act 2000 and its subordinate 'Code of practice for dairy food safety' provides a framework based on these principles, and allows dairy businesses across the value chain to incorporate regulatory food safety requirements into business systems. In doing so, this streamlines the common objectives of both government and industry for safe dairy food production, without added regulatory burden. Furthermore, this outcome based framework, in contrast to the very prescriptive regulatory approach of former times, allows businesses to innovate and incorporate technology changes while continuing to identify and manage their food safety risks.

The robustness of this system is vital in maintaining consumers' confidence in the quality and safety of the dairy industry's products on both the domestic and international markets (refer page 20 of Issues Paper).

However, food businesses do not manufacture and sell their products within State boundaries, or indeed in Australia alone, and the dairy industry strongly advocates a harmonised food safety regulatory framework for both domestic production across Australia, and for exports. The industry was instrumental in initiating the FSANZ Dairy Primary Production and Processing Standard, of which the major part (heat treated milk) was recently gazetted. The Standard follows the same outcomes focused, risk based construct of the Dairy Food Safety Victoria legislation. The National Standard when adopted and implemented by the jurisdictions and by AQIS into its export legislation will provide a national standard that will harmonise food safety requirements for dairy businesses, irrespective of where they operate in Australia and for which markets their products are destined. The Food Export Regulation Steering Committee, led by AQIS, comprising regulatory representation from State & Commonwealth agencies, is one of the key driver's in demonstrating the dairy industry's commitment to this national approach.

The dairy industry recommends to the VCEC that the regulatory model under which the dairy industry operates could be used as a model for other Victorian food industries. As a mature industry with sophisticated systems to meet food regulatory requirements, it would be concerned if it would be required to operate within a system designed to regulate the 'lowest common denominator', eg, food industries that have yet to develop to the extent to which the dairy industry operates.

### **Specific comments**

#### 2.5 Opportunities for reducing or streamline regulation - pp 23-25

- The dairy industry recently submitted to the Victorian DPI in respect of the review of the Victorian Agricultural and Veterinary Chemical (Control of Use) Regulations. In its submission the dairy industry has sought an exemption to the proposed requirements for record keeping of agricultural and veterinary use, on the basis that these requirements are already covered with the dairy food safety regulatory framework described above. Not granting this exemption would impose unnecessary regulatory impost, for no commensurate gain, as the outcome is already being achieved.
- The Issues Paper raises the question as to whether it would be beneficial to establish a single independent State agency with overall responsibility for food regulation. As indicated above, the dairy industry has a long standing and very positive working relationship with DFSV. This Authority knows and understands the industry well. Any proposal for a single food regulatory agency in Victoria would need to be very carefully considered by the dairy industry.
- The dairy industry is currently in discussion with the Department of Human Services (DHS) and DFSV in relation to the requirements for registration and maintenance of cooling towers on dairy farms (re management of legionellosis). The industry is seeking an outcome whereby health risks are appropriately managed within an auditable system (managed within the DFSV framework), without the need for routine, additional and costly audits by DHS.

#### 2.7 Food Standards and Labelling pp 27-28

The dairy industry has, and continues to actively participate in the development and review of FSANZ Standards such as health claims, novel foods, dietary supplements and addition of vitamins and minerals to foods. The industry regards these areas as critical in moving forward to allow innovation to be realised, to respond to changing consumer needs, and leverage the unique nutritional benefits of dairy foods.

The dairy industry looks forward to contributing to the VCEC food regulation review over the next 12 months.

Yours sincerely

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