

Australian Food and Grocery Council SUBMISSION

05 JUNE 2012

TO:
FOOD STANDARDS AUSTRALIA NEW ZEALAND

IN RESPONSE TO:

A1068 – HYDROGEN PEROXIDE AS A PROCESSING AID
FOR FERMENTED DAIRY INGREDIENTS AND PRODUCTS



Australian Food and Grocery Council

1. PREFACE

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.

With an annual turnover of \$108 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. The industry is similar in size to the mining sector.

Manufacturing of food, beverages and groceries in the fast moving consumer goods sector¹ is Australia's largest and most important manufacturing industry. Representing 26 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.

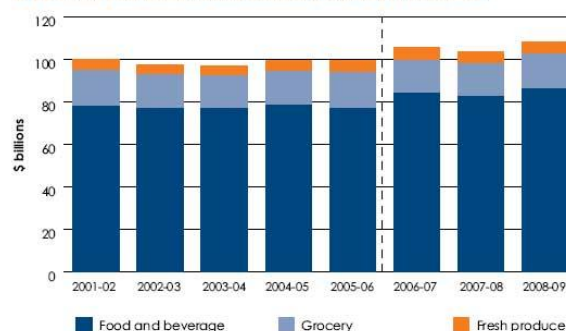
The growing and sustainable industry is made up of over 30,100 businesses and accounts for \$46 billion of the nation's international trade. The industry spends \$368 million a year on research and development.

The food and grocery manufacturing sector employs more than 312,000 Australians, representing about 3 per cent of all employed people in Australia, paying around \$13 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 Australia². 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.

Figure 4.1: Composition of the industry's turnover (\$2008-09)



Source: ABS, catalogue number 8221.0 and 8159.0

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

² About Australia: www.dfat.gov.au



1. INTRODUCTION

AFGC welcomes the opportunity to make this submission to Food Standards Australia New Zealand (FSANZ) in response to the Assessment Report for A1068 – Hydrogen peroxide as a processing aid for fermented dairy ingredients and products.

AFGC notes the intent of this application is to amend Standard 1.3.3 – Processing Aids, to permit the use of hydrogen peroxide to control the population of lactic acid producing microorganisms during the manufacture of:

- fermented milk;
- fermented milk products;
- Cheese made using lactic acid producing microorganisms; and
- Cheese products made using lactic acid producing microorganisms.

The AFGC supports this application on the basis that FSANZ has established that no public health and safety concerns have been identified with the use of hydrogen peroxide and an MPL of 5 mg/kg as proposed.

Recommendation:

Support Option 1: *Develop a draft variation to Standard 1.3.3*



2. SPECIFIC COMMENTS

2.1. Cost/Benefit Analysis (3.3.1)

AFGC notes that FSANZ has considered the cost/benefit of the regulatory options to highlight the qualitative impacts of criteria that are relevant to each option.

AFGC notes that under Option 2 – Reject the Application, FSANZ have not identified the following costs or benefits:

- **Consumers:** under Option 1 (develop a draft variation to Standard 1.3.3), FSANZ identified a benefit for consumers as:

“Applicant may bring advantages to consumers by expanding the range of dairy products available to them.”

Therefore, surely a disadvantage for consumers would be a failure to expand the range of dairy products available to them. This has not been identified in the call for submissions (CFS) document.

- **Industry:** under Option 1, FSANZ identified a benefit to industry by:

“widening the range of dairy products they can manufacture.”

Therefore, surely a disadvantage or cost for industry would be a failure to widen the range of products that they can manufacture. This has not been identified in the call for submissions (CFS) document.

AFGC support the comment that:

“Declining the Application may be seen as stifling industry innovation.”



Australian Food and Grocery Council

AFGC MEMBERS LIST AS AT 17 MAY 2012

Arnott's Biscuits Limited
Australian Blending Company P/L
Barilla Australia Pty Ltd
Beak & Johnston Pty Ltd
Beechworth Honey Pty Ltd
Beerenberg Pty Ltd
Bickfords Australia
Birch and Waite Foods Pty Ltd
Bronte Industries Pty Ltd
Bulla Dairy Foods
Bundaberg Brewed Drinks Pty Ltd
Bundaberg Sugar Limited
Byford Flour Mills T/a Millers Foods
Campbell's Soup Australia
Cantarella Bros Pty Ltd
Carman's Fine Foods Pty Ltd
Cerebos (Australia) Limited
Cheetham Salt Ltd
Christie Tea Pty Ltd
Church & Dwight (Australia) Pty Ltd
Clorox Australia Pty Ltd
Coca-Cola Amatil (Aust) Limited
Coca-Cola South Pacific Pty Ltd
Colgate-Palmolive Pty Ltd
Coopers Brewery Limited
Danisco Australia Pty Ltd
Devro Pty Ltd
DSM Food Specialties Australia Pty Ltd
Earlee Products
Eagle Boys Pizza
FPM Cereal Milling Systems Pty Ltd
Ferrero Australia
Fibrisol Services Australia Pty Ltd
Fonterra Brands (Australia) Pty Ltd
Food Spectrum Group
Fruco Beverages (Australia)
General Mills Australia Pty Ltd
George Weston Foods Limited
GlaxoSmithKline Consumer Healthcare
Go Natural
Goodman Fielder Limited
Gourmet Food Holdings
H J Heinz Company Australia Limited
Harvest FreshCuts Pty Ltd
Healthy Snacks
Hoyt Food Manufacturing Industries P/L
Hungry Jack's Australia
IGEA Group
Jalna Dairy Foods
JBS Australia Pty Limited
Johnson & Johnson Pacific Pty Ltd
Kellogg (Australia) Pty Ltd

Kerry Ingredients Australia Pty Ltd
Kimberly-Clark Australia Pty Ltd
Kraft Foods Asia Pacific
Laucke Flour Mills
Lion Dairy and Drinks
Madura Tea Estates
Manildra Harwood Sugars
Mars Australia
McCain Foods (Aust) Pty Ltd
McCormick Foods Aust. Pty Ltd
McDonald's Australia
Merisant Manufacturing Aust. Pty Ltd
Murray Goulburn Co-operative
Myosyn Industries
Nerada Tea Pty Ltd
Nestlé Australia Limited
Nutricia Australia Pty Ltd
Ocean Spray International Inc
Only Organic 2003 Pty Ltd
Parmalat Australia Limited
Patties Foods Pty Ltd
Pfizer Consumer Healthcare
Procter & Gamble Australia Pty Ltd
Queen Fine Foods Pty Ltd
QSR Holdings
Reckitt Benckiser (Aust) Pty Ltd
Red Bull Australia
Rosella Foods Pty Ltd
Safcol Canning Pty Ltd
Sandhurst Fine Foods
Sanitarium Health and Wellbeing
Sara Lee Australia
SCA Hygiene Australasia
Schweppes Australia
Sensient Technologies
Simplot Australia Pty Ltd
Solaris Paper
Spicemasters of Australia Pty Ltd
Steric Pty Ltd
Stuart Alexander & Co Pty Ltd
Subway
Sugar Australia Pty Ltd
SunRice
Tasmanian Flour Mills Pty Ltd
Tate & Lyle ANZ
The Smith's Snackfood Co.
The Wrigley Company
Tixana Pty Ltd
Unilever Australasia
Vital Health Foods (Australia) Pty Ltd
Ward McKenzie Pty Ltd
Yakult Australia Pty Ltd
Yum Restaurants International

Associate & *Affiliate Members

Australian Pork Limited

ACI Operations Pty Ltd
Allens Arthur Robinson
Ampcor Fibre Packaging
*ASMI
AT Kearney
Baker & McKenzie
*Baking Association Australia
Benchmarking for Performance
Brisbane Marketing
CHEP Asia-Pacific
CSIRO Food and Nutritional Sciences
*CropLife
CROSSMARK Asia Pacific
Dairy Australia
FACTA (Food Allergen Control Training Analysis)
*Food & Beverage Importers Ass.
Food Liaison Pty Ltd
*Foodservice Suppliers Ass. Aust.
*Food industry Association QLD
*Food Q
Foodbank Australia Limited
*Grains & Legumes Nutrition Council
Grain Growers
Grant Thornton
GS1
Harris Smith
IBM Business Cons
Infosys
innovations & solutions
KPMG
Legal Finesse
Linfox Australia Pty Ltd
Logan Office of Economic Dev.
Meat and Livestock Australia Limited
Monsanto Australia Limited
New Zealand Trade and Enterprise
Pacific Strategy Partners
*PLMA Australia / New Zealand
QLD DEEDI
Red Rock Consulting
RQA Asia Pacific
Spectrum Automation
StayinFront Group Australia
Strikeforce Alliance
Swire Cold Storage
Swisslog Australia Pty Ltd
Tetra Pak Marketing Pty Ltd
The Food Group Australia
The Nielsen Company
Touchstone Cons. Australia Pty Ltd
Visy Pak
Wiley & Co Pty Ltd
PSF Members
Ampcor Packaging Australia
Bundaberg Brewed Drinks Pty Ltd
Schweppes Australia Pty Ltd
Coca-Cola Amatil (Aust) Limited
Lion Dairy and Drinks
Owens Illinois
Visy Pak



one voice - adding value

Australian Food and Grocery Council

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



one voice - adding value