



Australian Food and Grocery Council SUBMISSION

SEPTEMBER, 2012

TO:

FOOD STANDARDS AUSTRALIA NEW ZEALAND

IN RESPONSE TO:

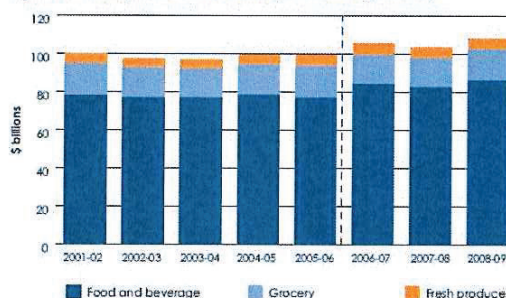
A1070 - PACKAGING SIZE FOR PHYTOSTEROL-ENRICHED
LOWER FAT CHEESE

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.

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



Source: ABS, catalogue number 8221.0 and 8159.0

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 is the second largest industry behind the Australian mining sector and accounts for over one quarter of the total manufacturing industry in Australia.

This 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.

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

AFGC MEMBER LIST AS AT 26 SEPTEMBER 2012

1. INTRODUCTION

The Australian Food and Grocery Council (AFGC) welcome the opportunity to make this submission to Food Standards Australia New Zealand (FSANZ) in response to the assessment report for Application A1070 - Packaging Size for Phytosterol-enriched Lower Fat Cheese.

AFGC notes the intent of this application is to amend Standard 2.5.4 – Cheese, in the Australia New Zealand Food Standards Code (the Code), to remove the current requirement that phytosterol-enriched cheese and processed cheese (containing no more than 12g fat per 100g) be supplied in an individual portion, the weight of which is not greater than 50g (the portion weight restriction).

The AFGC supports this application on the basis that there is no identified risk to public health and safety and that FSANZ has established that there are potential benefits for consumers in convenience, cost-saving and enhanced consumer choice.

Recommendation:

AFGC supports Option 1 - that FSANZ prepare a draft variation to Standard 2.5.4 to remove the portion weight restriction for phytosterol-enriched lower fat cheese and processed cheese.

2. GENERAL COMMENT ON APPLICATION

AFGC believes that an internationally competitive domestic food and grocery manufacturing industry supported by a robust and responsive policy and regulatory framework is critical to ensuring our food supply is secure, that it meets the nutrition and health needs of consumers and it is sustainable for the longer term. This application is intended to reduce the regulatory burden on industry, providing a more competitive and innovative market in responding to consumer need, and thereby provide an opportunity for improved public health and a reduction in the burden of disease on the community.

Phytosterols have an important role in helping to reduce the risk of CVD, but this is contingent on consuming approximately 3 g of phytosterols per day. The best way to do this is to have phytosterol fortification available in a variety of foods that permit and encourage a balanced and healthy diet. Cheese and processed cheese are effective vehicles to deliver phytosterols in addition to using fortified margarines, table spreads and low fat milk and yoghurt.

Increasing the availability and encouraging the consumption of phytosterols by the target population to ensure those at risk achieve the 3g/day threshold can reduce the incidence of CVD and therefore provide a potential saving to the community through a reduction of the burden on the public hospitals, the pharmaceutical benefits scheme, or the costs associated with morbidity or mortality.

AFGC notes that the restriction on portion weight for cheese and processed cheese introduces an inequitable situation in comparison to other sectors where no such restrictions apply, for example, 'Edible Oil Spreads' are permitted in Standard 2.4.2 to contain phytosterol (or their equivalents), with no pack restrictions stipulated.

AFGC notes that the principle argument for introducing a restriction on size and mandatory warning statements was the concern by regulators that children and pregnant or lactating women might be at risk from certain nutritional deficiencies if they were regularly consuming phytosterols.

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While AFGC acknowledges that children and pregnant or lactating women are not the intended target population, and that there is no evidence from household consumer surveys to indicate that families with young children are significantly purchasing and consuming phytosterol enriched foods. Nevertheless, AFGC supports retaining the current requirements for the mandatory advisory statements that the product should be consumed as part of a healthy diet, may not be suitable for children under the age of five years and pregnant or lactating women on the basis that it improves consumer understanding and awareness of the product and its intended use.

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

AFGC MEMBER LIST AS AT 26 SEPTEMBER 2012

AFGC MEMBERS LIST (AS AT 26 SEPTEMBER 2012)

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- Beechworth Honey Pty Ltd
- Beerenberg Pty Ltd
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- Cheetham Salt Limited
- Christie Tea Pty Ltd
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- Colgate-Palmolive Pty Ltd
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- D.E Coffee & Tea Retail Australia/Sara Lee Coffee & Tea Retail Australia
- Danisco Australia Pty Ltd
- Devro Pty Ltd
- DSM Food Specialties Australia Pty Ltd
- Eagle Boys Pizza
- Earlee Products Pty Ltd
- Ferrero Australia Pty Ltd
- Fibrisol Service Australia Pty Ltd
- Fonterra Australia Pty Ltd
- Food Spectrum Group
- FPM Cereal Milling Systems Pty Ltd
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- Kraft Foods Limited

- Laucke Flour Mills Pty Ltd
- Lindt & Sprungli Australia
- Lion Dairy and Drinks Pty Ltd
- Madura Tea Estates
- Manildra Harwood Sugars
- Mars Chocolate
- McCain Foods (Aust) Pty Ltd
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- McDonald's Australia Ltd
- Merisant Australia Pty Ltd
- Metarom Australia P/L
- Mrs Mac's Pty Ltd
- Murray Goulburn Co-operative Co Ltd
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- Nerada Tea Pty Ltd
- Nestle Australia Ltd
- Nutricia Australia Pty Ltd
- Ocean Spray International, Inc
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- Pacific Strategy Partners
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- Food Industry Association Qld Inc
- Food Q Inc
- Foodservice Suppliers Association of Australia
- Grains & Legumes Nutrition Council
- Private Label Manufacturers Association Australia/New Zealand

