

Chapter 7

Committee view and recommendations

7.1 With over 24 million pets in Australia today, Australian households have one of the highest rates of pet ownership in the world. As pets become an increasing part of our lives, consumer demands for quality pet food and guarantees regarding its safety have risen. However, recent adverse events have demonstrated the extent to which the current self-regulatory framework no longer meets community expectations.

Publication and public oversight of the Australian Standard

7.2 As a first and fundamental step, the committee strongly advocates for free and uninhibited access to the Australian Standard (AS5812:2017). Currently the standard can be purchased at a cost of approximately \$128.19. The committee contends that this financial barrier has not only hampered pet owners' trust in the regulatory system, but has also made it difficult for pet owners to scrutinise the standards to which pet food is held.

7.3 The committee holds the view that transparency, brought about by the publication of the standard, will encourage greater accountability on the part of the pet food industry and improve its performance. Furthermore, publication and knowledge of the standard will enable consumers, otherwise unable to access and share it for reasons of expense and copyright, to hold the industry to account. It will also enable consumers to scrutinise the standard's labelling requirements, which should be transparent and informative for the buyer. It is fundamentally important, therefore, that the Australian Standard be made accessible to the public at no cost.

Recommendation 1

7.4 The committee recommends that the Australian Standard for the Manufacturing and Marketing of Pet Food (AS5812:2017) be made publically available on the Department of Agriculture and Water Resources' website for download and distribution.

Regulatory pathways

7.5 During the inquiry, the prospect of establishing an independent regulatory body, on the basis of a recommendation from the committee, was widely supported. However, the manufacture of pet food falls within the responsibility of states and territories. Given the federal nature of the Australian Constitution, any such suggestion of establishing an independent regulatory body would require the enactment of legislation by state and territory governments.

7.6 The Minister for Agriculture and Water Resources, the Hon David Littleproud has already secured the support of his state and territory counterparts for an independent review into the safety and regulation of pet food. The committee recognises this initiative as a key pathway to achieve a stronger, nationally consistent regulatory regime for pet food in Australia.

7.7 Noting the considerable effort made by many submitters, the committee encourages the working group given responsibility for reviewing the regulation of pet food, to take into account the evidence provided to the inquiry, with particular focus on the evidence regarding the need for a stronger regulatory model.

7.8 While the committee does not hold a view on the precise framework that should be pursued, it is clear that self-regulation of the pet food industry is no longer acceptable by community standards. Therefore, the committee strongly encourages the states and territories to engage with the Minister for Agriculture and Water Resources and the respective working group to strengthen the regulatory regime for pet food in Australia.

Recommendation 2

7.9 The committee recommends that, as part of its review into the safety and regulation of pet food, the working group focus on mechanisms to mandate pet food standards and labelling requirements in Australia. In particular, it should give serious consideration to amending the *Food Standards Australia New Zealand Act 1991* to expand the responsibilities of Food Standards Australia New Zealand (FSANZ) to include pet food standards and labelling requirements.

7.10 The committee further recommends that the working group draft a national pet food manufacturing and safety policy framework for the consideration and endorsement of an appropriate forum such as the Australia and New Zealand Ministerial Forum on Food Regulation.

7.11 To inform its deliberations, the committee recommends that the working group take into account the evidence provided to this inquiry.

Improving the Australian Standard

7.12 The committee acknowledges the substantive work undertaken by the pet food industry over many years to develop and review the Australian Standard.

7.13 However, that there are a number of improvements that must be made. First of all, the conduct of feeding trials in relation to target animals must be undertaken alongside extensive testing of pet food prior to sale. Feeding trials allow the detection of issues that may develop over a longer period of time and enable the exclusion of potential toxicities. Furthermore, if pet food manufacturers are to make health claims about their products, such claims should be scientifically tested and assessed in the target population.

7.14 With regard to labelling requirements, alongside the full disclosure of ingredients, including preservatives and additives, the committee also recommends that the Australian Standard require a declaration of heat treatments, such as irradiation, on all labels. The committee acknowledges that changes have been made since the recall of imported cat food in 2008 to ensure that pet owners are instructed not to feed irradiated foods to cats. However, this information should be displayed on both dog and cat food more explicitly, so as to avoid future incidents relating to thiamine deficiency.

7.15 Given the anticipated independent review of pet food, the committee recommends that the proposed working group focus in particular on pet food labelling, the declaration of heat treatments such as irradiation, as well as the inclusion of feeding trials and scientific testing.

Recommendation 3

7.16 The committee recommends that the independent review working group identify specific measures to improve the efficacy of the Australian Standard for the Manufacturing and Marketing of Pet Food (AS5812:2017). These measures should include specific requirements with regard to feeding trials and other testing prior to pet food sale as well as mandatory labelling standards that detail all ingredients including preservatives, additives, and which disclose heat, irradiation or other treatments to the product.

Pet food product recall and reporting framework

7.17 Throughout the inquiry, the committee consistently heard that there is a need for a mandatory pet food recall and reporting framework.

7.18 However, the committee recognises that there is already a system in place for voluntary recalls under Australian Consumer Law. In addition, there are offences and penalties applicable to suppliers and manufacturers, including pet food processors, which act as an incentive for them to comply with the general prohibitions and the consumer guarantees that are set out in Australian Consumer Law.

7.19 The committee recognises that the use of the ACCC's Australian Product Safety website will meet the needs of pet owners for a centralised information system on pet food recalls and the reasons for them. As is the case with human consumer products, the communication of safety information regarding pet food is essential to prevent or minimise the impact of future adverse incidents.

7.20 Reflecting on evidence from witnesses, the committee is of the view that pet food manufacturers should take a precautionary approach to pet food safety. If there is even a slight risk that a pet food product may cause negative health impacts, recall procedures should be immediately undertaken. Thereafter, investigations can be conducted to identify the exact cause, and compensation provided to consumers. However, the period during which the investigation is taking place should not allow the opportunity for more animals to contract illness.

7.21 In addition to utilising Australian Consumer Law recall arrangements, which would enable the publication of recall details on the Australian Safety Product website for pet owners to read and understand, the committee strongly encourages consideration of mandating the Australian Standard under Australian Consumer Law.

7.22 When considering whether to introduce a mandatory standard, the Australian Government conducts research and consults with industry and consumers to develop a regulation impact statement. As a first step, however, the committee suggests that the ACCC review the proposal to make the Australian Standard mandatory under Australian Consumer Law. The ACCC should produce a published report, or make public its findings and any recommendations to inform the independent review

working group in its consideration of methods to mandate and enforce the Australian Standard.

7.23 To this end, the committee recommends that the ACCC consider this proposal, and the process by which the Australian Standard could provide the basis of a mandatory standard.

Recommendation 4

7.24 The committee recommends that the Australian Competition and Consumer Commission review the process by which the Australian Standard for the Manufacturing and Marketing of Pet Food (AS5812:2017) could become a mandatory standard under Australian Consumer Law and make public its review findings and any recommendations.

Adverse event reporting

7.25 The committee acknowledges that the current system for reporting adverse pet food events has not been effective in detecting adverse trends relating to pet food. The evidence to the committee revealed that the Australian Pet Food Adverse Event System of Tracking (PetFAST) played almost no role in the detection of megaesophagus in dogs consuming Advance Dermocare dry dog food, as the majority of cases were logged only after the recall was announced.

7.26 The committee heard that the PetFAST system was underutilised. Evidence indicated that an estimated 40 per cent of all veterinarians in Australia are not members of the AVA and are, therefore, probably not aware of PetFAST's existence. In addition, not all AVA members are aware that they can use the system:

I am an ex-AVA president and I am an ex-AVA member, and I did not know that the PetFAST system existed. We need communication, education and reporting even if a self-regulation system is maintained.¹

7.27 Whilst the committee recognises that the PetFAST system was intended to gather veterinary advice, rather than individual pet owner reports, the system cannot be effective if it is not utilised across the veterinary community. In addition, consideration should be given to updating the system to ensure that it is user-friendly and utilises better monitoring tools to detect trends.

7.28 The committee recommends, therefore, that as a first step, the Australian Veterinarian Association (AVA) review and update the reporting requirements of the PetFAST system. To this end, the committee strongly encourages the AVA to work with the ACCC to strengthen and streamline the PetFAST system and to enable its operation in complementarity to a consumer complaints mechanism for pet food.

Recommendation 5

7.29 The committee recommends that the Australian Veterinary Association, in cooperation with the Australian Competition and Consumer Commission explore measures to improve data capture in the PetFAST system.

1 Dr Joanne Sillince, Pets Australia, *Committee Hansard*, 28 August 2018, p. 13.

Consumer complaints and reporting mechanism

7.30 The committee recognises that consumers should be given the opportunity to share their concerns, and report to an appropriate authority when issues with pet food arise.

7.31 The committee recognises that the US Food and Drug Administration's Safety Reporting Portal is an example of industry best practice. The central site allows consumers to report issues in relation to human food, animal food, drugs, tobacco and therapeutic biologics. The committee suggests that a similar reporting system in Australia would ensure that consumers can raise their concerns about pet food quickly and easily.

7.32 As a comparable mechanism is already available for ordinary consumer goods through the ACCC's Product Safety Australia website, the committee recommends that the ACCC provide a system of consumer reporting with regard to pet food on the same website.

7.33 It is envisaged that the proposed consumer complaints process will complement the PetFAST tracking system.

Recommendation 6

7.34 The committee recommends that the Australian Competition and Consumer Commission establish a system for consumer reporting on its Product Safety Australia website, to enable members of the public to lodge complaints and concerns associated with pet food.

Investigation and education

7.35 The committee is also cognisant of the need for a transparent and resourced mechanism to investigate reports made on PetFAST as well as consumer complaints of adverse pet food events. Furthermore, the committee appreciates that consumers, veterinarians and the wider industry should be informed of the proposed pet food product reporting, investigation and recall systems.

7.36 To this end, the committee encourages the Australian Government to work with the states and territories to establish an adverse pet food investigation mechanism and to develop a complementary education campaign to inform consumers and the industry about the product reporting, investigation and recall regime.

Recommendation 7

7.37 The committee recommends that the Australian Government work with the states and territories to establish a mechanism to investigate adverse pet food events and develop a complementary education campaign to raise awareness of the adverse pet food reporting, investigation and recall regime.

7.38 The committee holds the view that these recommendations provide for cost-effective measures that can be agreed to and implemented within a short period of time. The committee believes that these measures will provide for greater transparency and oversight of pet food manufacturing in Australia.

7.39 Alongside publication of the Australian Standard, the committee has focused on key practical and fundamental steps that would improve consumer oversight of the pet food industry. With this objective in mind, the committee has recommended a suite of measures to raise the standard of pet food, implement stronger safeguards to respond to adverse pet food incidents, and provide greater transparency and oversight of the pet food standard in Australia.