

Chair

Cabinet Economic Growth and Infrastructure Committee

REGULATORY REFORM PROGRAMME REVIEW - DECISION TO REVISE THE FOOD BILL

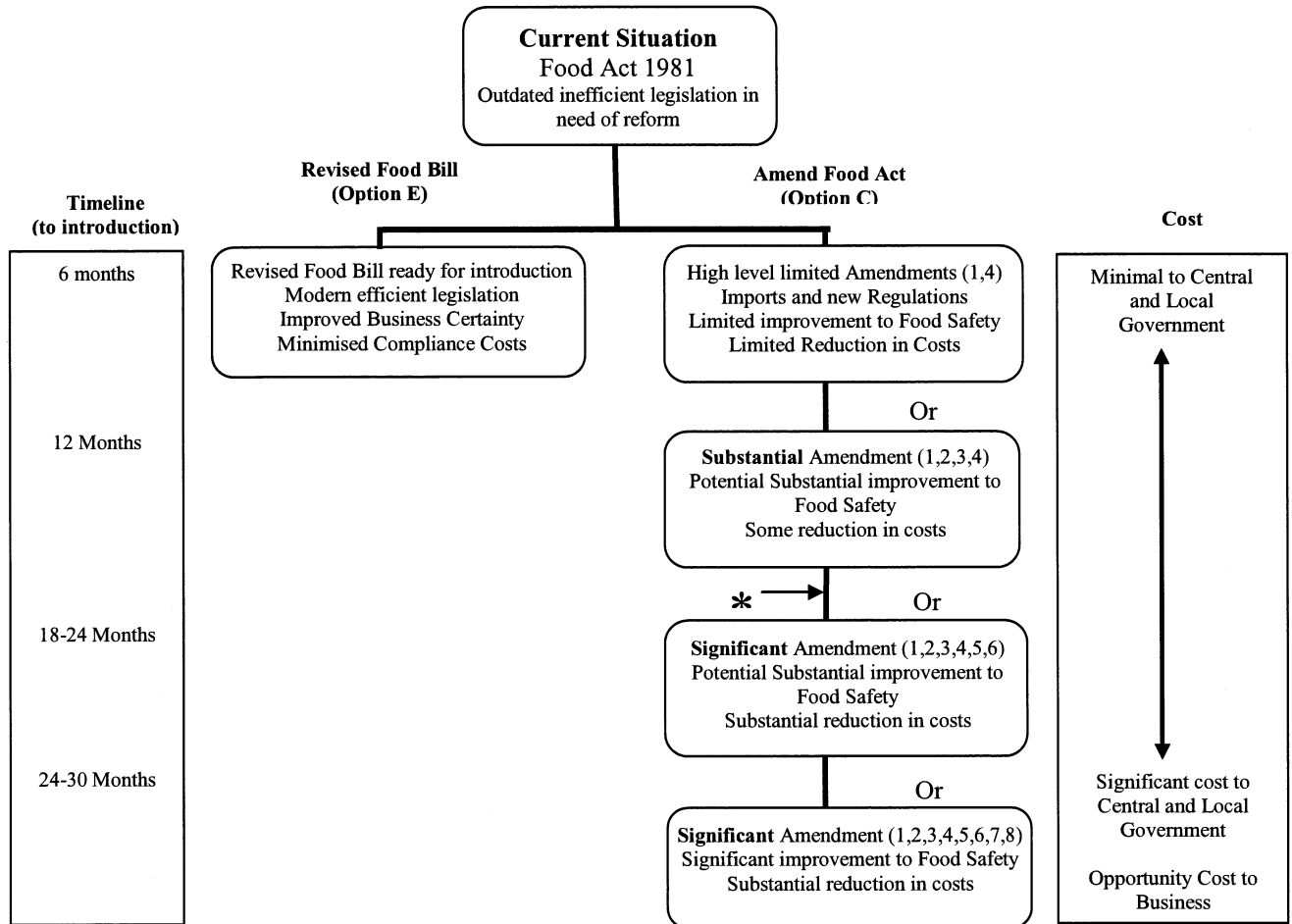
Proposal

1. That the Committee agree to progressing the Food Bill with changes to improve certainty for business and further reduce compliance costs.

Executive Summary

2. This paper outlines the findings of the Regulatory Review Programme (regulatory review) of the current food regulatory regime and options to improve business certainty and further reduce compliance costs. The two options selected by the Economic Growth and Infrastructure Committee (EGI) in April 2009 (EGI Min (09) 5/11 refers) for the regulatory review were: a limited amendment of the Food Act 1981 and the associated regulations (Option C); and consideration of a revised Food Bill (Option E).
3. The regulatory review compared the fundamental differences between the current food regime and the two options proposed for a new food regulatory regime. Both options were assessed against seven areas in particular:
 - compliance costs;
 - international best practices;
 - consistency and equity of chosen regulatory requirements;
 - risk based versus a prescriptive regime;
 - the seamlessness and coherence of the proposed regime;
 - impacts on trade and commerce in food and associated products; and
 - the level of resource required and the impact of timing of each option.
4. The regulatory review also considered the recommendations that were made by the New Zealand Food Safety Authority (NZFSA), and agreed by Government, as part of the Domestic Food Review (which was largely completed in 2006). There are eight areas where amendments can be made that would significantly improve the current food safety regime. These fundamental aspects are as follows:
 1. provision of an enhanced imported food regime;
 2. mandated risk based tools (both regulatory and non-regulatory or educative) and a shift in onus of responsibility from Government to food business operators;
 3. clarification of the New Zealand Standard as the platform for all food sold within, and exported from, New Zealand;
 4. replacement of the Food Hygiene Regulations 1974 with regulations that are outcome based and enabling;
 5. provision for increased audit capability and the clarification of the Territorial Authority role;
 6. improvement of penalty provisions;
 7. improvement of the enforcement regime; and

8. improvement to the alignment of New Zealand food legislation.
5. The regulatory review report is at Appendix Two of the regulatory impact statement.
6. The report concludes that introducing a revised Food Bill (Option E), can deliver the same as, or better than Option C, on all aspects but delivers best in terms of cost for government and businesses to the point of implementation. The following figure illustrates the differing costs, timelines and regulatory and legislative implications for each Option.



* Point at which a "Limited" amendment becomes a significant amendment

7. This paper seeks agreement for the revision and progression of the Food Bill based on the extended use of national programmes to provide business certainty and to further reduce compliance costs.
8. Based on the outcomes of the regulatory review, this paper also outlines policy proposals for changes to be made to the currently drafted Food Bill in order to improve business certainty and further reduce compliance costs.

Background

9. On 1 April 2009, EGI considered the Cabinet paper: *A new Food Act for New Zealand – Rationale*. The Cabinet paper provided an overview of the regulatory issues arising from the Food Act 1981 and proposed five options for the Government to address these regulatory issues.
10. EGI noted that the Domestic Food Review highlighted that the current system is duplicative, ineffective and inefficient, imposes unnecessary compliance costs, and does not assist to the extent possible to reduce foodborne illness. Additionally, EGI noted that the current system is not risk based, does not support a single New Zealand standard

platform (which is the basis for New Zealand's export trade), and does not sufficiently interface with other food legislation.

11. In considering the five options proposed for reforming the food regulatory regime, EGI noted that maintaining the status quo, or retaining the Food Act 1981 and only amending the Food Hygiene Regulations 1974, would deliver an inferior regulatory system.
12. EGI agreed, in principle, to continue work on a revised Food Bill based on two of the options set out in the Cabinet paper. The continued work on a revised Food Bill was also subject to the provision of a report with Terms of Reference for the review of both options as part of the Regulatory Reform Programme 2009.
13. EGI invited me to report to the Minister of Finance and the Minister for Regulatory Reform by the end of April 2009 with Terms of Reference for progressing the necessary changes to the Food Bill as outlined under Option C and Option E. Option C proposed making a limited amendment of the Food Act 1981 (and the associated regulations); while Option E proposed introducing a revised Food Bill that reflects changes to improve business certainty and further reduce compliance costs. EGI Min (09) 5/11 refers.

Regulatory Reform Programme Terms of Reference

14. The Terms of Reference for the regulatory review of the food safety regime proposed that the fundamental differences between the current food regime and the two options for regulatory review be analysed. The Terms of Reference also proposed that the specific areas for analysis would be those areas identified in paragraph three above. The completed review into Options C and E was to be reported back to Government.
15. The Terms of Reference were provided to the Minister of Finance and the Minister for Regulatory Reform on 27 April 2009. Both Ministers agreed to and approved the Terms of Reference for progressing changes to the Food Bill.

Comment

The Domestic Food Review and previous policy decisions

16. The conclusion of the Domestic Food Review was that the current food regulatory regime must be improved, and that this cannot be done without legislative change. A new food regulatory regime (including legislative change) was proposed to Government in October 2006, and was agreed. The development of a new Food Bill commenced in February 2007.
17. The high level policy that was agreed in 2006 is the foundation for the revised Food Bill. The bulk of the policy agreed in October 2006 therefore remains but changes to part of that policy, to deliver on current requirements, are discussed later in this paper.

Risk based tools – reducing the cost of compliance

18. The regulatory framework of the drafted Food Bill sought to reduce the prescriptive nature of the existing regime and to move to an outcomes-based regulatory system. The development of the new regulatory regime to date has centred on the application of a regulated food control plan tailored to each food business. Two lesser tools were developed for special or exceptional circumstances: national programmes (regulatory tool) and food handler guidance (educative material). This approach has changed to make national programmes the primary instrument. This change follows NZFSA's work on an 'off-the-peg' template food control plan for the food service and catering sector, and a request from Government to consider further options for reducing compliance costs.
19. For many medium to lower risk sectors there are generic or core requirements, designed to deliver on the objective of safe and suitable food that could form the basis for a national

programme. These could be supplemented by more tailored requirements for particular sectors.

20. Both business certainty, and reduced compliance costs, could be satisfied by giving primacy to national programmes instead of the current food safety programmes (in the Food Act) or food control plans (in the drafted Food Bill) especially for medium risk/medium impact food businesses. National programmes would be the initial option for regulatory control instead of individual food safety plans (as is currently available in the Food Act 1981) or food control plans (as has been developed to date under the Domestic Food Review and in the drafted Food Bill). By making this change, a larger number of businesses could start in the new food regime under a national programme rather than on individual food control plans.
21. The primary use of national programmes is the principle starting point for the application of risk based tools under both Option C and Option E. The application of risk based tools in this manner contributes to a reduction in compliance costs for food businesses and will provide certainty to those businesses regarding which tool they will operate under. How these tools will be applied to sectors, including registration and frequency of verification is illustrated in Appendix three of the regulatory impact statement. It is proposed that a schedule be included in the new Food Act, which will specify food sectors and the specific risk management tool they will be subject to.

Option C – a limited amendment of the Food Act 1981 (and associated regulations)

22. This option gave consideration to the ‘fundamental’ aspects of the Domestic Food Review that would need to be changed in order to support a limited amendment of the current Food Act 1981 and the associated regulations to improve and enhance the current food regulatory regime.
23. Option C would involve selecting a number of different combinations of the proposed amendments identified in paragraph four above to improve the current Food Act 1981. The combinations could be determined against the criteria of a ‘limited amendment’ that still delivers significantly improved food safety and suitability.
24. It was recognised that if a larger combination or all of the ‘fundamental’ aspects of the Domestic Food Review were included for Option C, this option might not be a limited amendment. For the same resource commitment, Option E (a comprehensive package) would better achieve the desired outcome.
25. Analysis of Option C identified that only changes to imports, issuing new Regulations, developing a range of risk tools (including non regulatory) and clarifying the application of the base New Zealand standard for food safety can be achieved before amendments start to compete with the resources that would deliver Option E – the tipping point. Beyond this point, such as including provisions for audit/verifier capacity, revised penalties, enhanced enforcement and improved alignment across New Zealand’s food legislation, a substantive amendment would be required.
26. If all of the Domestic Food Review ‘fundamental’ aspects were included under Option C there would be a need to merge new concepts and styles with the existing outdated and archaic legislation. Food businesses would continue to face compliance costs associated with trying to interpret and comply with a mixture of concepts and styles within an archaic framework. The drafting of a new Act that has a clear framework, purpose, consistent language, and coherent style becomes a compelling alternative.
27. The Legislative Advisory Committee Guidelines note that ‘legislative change should give effect to the policy objectives in a way that will not cause unnecessary difficulties or complications for those who have to comply, and will not require recourse to the courts to resolve ambiguity, internal inconsistency, or conflict with other legislation or the common

law'. There is a general view that if more than 40% of an Act is proposed for amendment then due consideration should be given to the merits of the drafting of a new Act in its entirety.

28. The length of time needed to complete consultative processes, prepare and provide policy proposals to Government and undertake the drafting of a revised Act also needs to be considered. For Option C the entire process may take between 6 to 8 months and up to three years to realise.

Option E – introducing a revised Food Bill that reflects changes to improve business certainty and further reduce compliance costs

29. Option E introduces a revised Bill starting with the Bill developed over the last two years but including changes to improve certainty for business and further reduce compliance costs. The extended use of national programmes is proposed as the risk management tool for a larger number of food sectors. The use of national programmes, combined with reduced registration requirements and frequency of verification, and amended regulations that are relevant to food safety matters, all contribute to significant cost savings for businesses. While the extended use of national programmes could also be delivered under Option C, the time to do this would take longer to do so than it would under Option E. Cost savings to businesses would be delayed.
30. Due to the advanced stage of the drafted Food Bill and the fact that it already includes all of the 'fundamental' aspects set out in paragraph four above, it is anticipated that under Option E a revised Food Bill would be ready for introduction, if approved, within six to eight months.

Review conclusions

31. It is the conclusion of the regulatory review that Option E is the best option to reform the food regulatory regime because it will provide for a Bill that will deliver a comprehensive and cohesive regulatory reform package at the least cost for industry. Less and better regulation would be achieved through Option E.
32. The Food Bill can be redrafted, giving primacy to the use of national programmes, within a six to eight month period, at which point the revised Food Bill would be ready for introduction. There would be less demand on Government resources, both central and local government, to enhance the existing Bill than to prepare amendments that would fit within the current Food Act.
33. A two page summary on the revised Food Bill to provide business certainty and reduce compliance costs is at Attachment One.

Key policy decisions arising from the Regulatory Reform Review and proposed legislative changes

34. The regulatory review concluded that Option E is less resource intensive and would be timelier to progress changes to the Food Bill than what would be required to make limited amendments to the current Food Act 1981, Option C. Option E will provide greater certainty to food businesses and reduce compliance costs, achieving this in a lesser time frame than under Option C. Specifically, the regulatory review considered the risk management tools and how the use of national programmes could be more widely used, as were the associated registration and verification costs for food businesses/sectors that would be required to operate this tool.

Risk management tools

35. The Food Bill can continue, on the basis of the policy that was formed following an extensive review and consultative process from 2002 to 2006, to provide a statutory basis

for the regulatory risk management tools for the new food regime. The tools will be food control plans, national programmes and food handler guidance (non-regulatory, educative).

36. The Food Bill legislative framework will be designed to clearly set out what are the requirements under the Act, and who will be subject to those requirements. This is illustrated by Figure 4 in the RIS. The Bill will set out the high level outcomes, requirements and offences as part of the framework. There will be an ability to create regulations that will set food safety outcomes and provide for both food control plans and national programmes. There will be provision for limited powers describing specific requirements for food control plans and national programmes.

National programmes

37. National programmes will be made by regulation. They will predominantly be for those food businesses/sectors that are of low to medium risk. For example national programmes will be developed for the horticulture sector, distributors and transporters; and retailers selling shelf-stable products (i.e. Farmers Trading Company that sells chocolates). The regulations will set out what will be the minimum requirements for the food business operator to meet the obligations of the Act, i.e. to be able to provide safe and suitable food.
38. National programmes will be amended by regulation. This will provide Parliamentary oversight of the degree of regulatory control over decisions that impact on food sectors. This will provide for a decision making process that is more transparent, subject to greater scrutiny, and is not reliant solely on the regulator making decisions on the scope and application of the national programmes.
39. The Food Bill will provide for the ability to create industry-specific specifications that will be used to amplify the applicable national programme. Guidance material may also be made available to sectors that are subject to national programmes.
40. It is proposed that national programmes be set for four levels, based on the degree of risk associated with food sectors, with the highest level (level 4) being for the medium risk food businesses. The Food Bill will also provide for flexibility regarding registration and verification requirements to be applied to the four levels of national programmes. It is proposed that registration provisions for national programmes will be based on self registration, third party registration, or registration with NZFSA. Self registration provides capability for the food business operator to register their business on an approved system for minimal cost. Such a system will provide for food business operators to be able to register and list their business, and relevant business information such as the scope of the food business activities. Such a system will be important to regulators, both central and local government, being able to undertake compliance checks of food businesses that are operating in New Zealand.
41. Third party registration considers existing data capture systems that may be associated with a sector; for example, the horticulture sector has information on their members that may be used. Using existing systems would reduce costs and minimise duplication. Registration with NZFSA would be used if either of the other two options (self registration or third party registration) was not able to be undertaken. Costs associated with this would need to be on an actual and reasonable rate.
42. Appendix three of the regulatory impact statement provides a table of how the regulatory and non-regulatory controls will be structured in the revised Food Bill. It is proposed that the Food Bill include a schedule of food sectors and the regulatory tool that will be applicable to them. The inclusion of such a schedule will provide improved certainty to

food businesses in relation to how they will fit within the proposed food regulatory regime.

43. It is proposed that, as well as a regulation making power to make national programmes, there be regulation making powers included in the Act to set out the registration and verification requirements that may be applied to national programmes. These provisions would include details on the level of registration and frequency of verification for food sectors.
44. Criteria for national programmes will be included in the Food Bill. This will provide for those sectors that are subject to higher or lower tools in the regime to be considered for national programmes if appropriate, and would be achieved through an Order in Council. The criteria will be used to assess whether the tool (regulatory, non-regulatory or educative) applied to a specific sector is appropriate or if a national programme is a better regulatory tool for that sector. This may arise when a sector using food control plans considers it has justification to be considered for the use of a national programme (and subsequent savings through less registration and verification obligations). The criteria may also be used to determine whether a food sector should move from a national programme up to a food control plan, or to move from national programme to educative materials, i.e. food handler guidance.
45. National programmes will be developed by NZFSA, given effect by regulations and be implemented by NZFSA and Territorial Authorities. NZFSA will develop national programmes working with relevant sectors and may make use of, or incorporate, existing programmes that are already being implemented by industry. This approach will reduce the duplication of requirements across sectors.
46. Food businesses covered by a national programme (or food handler guidance) could still elect to develop their own individual food control plan for their own commercial reasons.

Food control plans

47. Food control plans will be mandatory for food businesses that are of a higher risk, e.g. food service on-site catering and food service mobile premises e.g. hot dog stall holders who travel to fairs. An indication of food businesses that will need to use a food control plan is reflected in the table at Appendix three of the regulatory impact statement. Food business operators who are required to operate using a food control plan will have an annual registration and verification. Savings and a potential reduction in compliance costs can be achieved for food control plan operators through the use of performance based verification activity. Performance based verification rewards those food businesses that are good performers, i.e. they operate consistently and have a high level of compliance, by reducing the frequency of their verification from, for example, annual to biennial.

Food handler guidance

48. Food handler guidance is the non-regulatory, educative tool under the proposed food regime and will be available for activities such as school fundraisers, church bazaars and fundraising sausage sizzles. Food handler guidance will not require registration and will consist of information about safe food practices for selected food sectors; it will cover basic hygiene information. Food business operators using food handler guidance will not be subject to verification. However, if a problem is reported then investigative steps may need to be taken. Those who operate under food handler guidance have an obligation under the Act to provide safe and suitable food. Food handler guidance will be freely available.

Verification aspects

49. Verification will be designed to accommodate the degree of variability that exists amongst food businesses and the food safety risks that need to be managed. Verification is the act of determining the food business is complying with the regulatory tool that is applicable to that business, i.e. the food business operator is able to demonstrate that they are using the regulatory tool to deliver safe and suitable food.
50. For national programmes, it is proposed that there be a range of frequencies for when verification checks will occur. For example for a level 4 national programme, the verification visit is proposed to be held once every two years; and for the level 1 (lower risk) national programmes a verification (audit) visit will only occur when a problem is reported. Addendum B of the regulatory review report provides details of verification obligations for all of the proposed tools in the new food regime.
51. Introducing a range of frequencies when verification checks will occur, relevant to the risks posed by a sector, will result in food businesses facing reduced compliance costs. The less frequently a verification visit occurs, the less often that the food business will have to pay for this service.
52. The changes proposed for a revised Food Bill will integrate well into the existing construct of the currently draft Food Bill.

Improved Business certainty

53. Improved business certainty will be achieved through a proposed schedule in the revised Food Bill, which would clearly set out the specific tool a food business must operate under. The requirements of each national programme will be prescribed and clearly specify the regulatory requirements for each level of programme. Greater transparency and justification, including the requirement for consultation and regulatory impact analysis, will be achieved through the use of regulations to prescribe national programmes.

Reduced Compliance Costs

54. Under the revised Food Bill the numbers of businesses that are proposed to move from the Food Hygiene Regulations to a food control plan will decrease from an estimated 32,000 maximum down to an estimated maximum of 16,000.
55. This means up to 16,000 businesses that would have been regulated under an off-the-peg food control plan will now move from the Food Hygiene Regulations to operate under a national programme. Almost all of those businesses will face a reduction in compliance costs associated with:
 - having less regulation to comply with;
 - having greater certainty of regulatory requirements; and
 - requiring less time and effort for transition.
56. Businesses that operate under a national programme will face costs associated with registration, verification and associated programme and compliance charges. However, those costs are expected to be less than those that would have incurred had those businesses operated under an off-the-peg food control plan as proposed in the drafted Food Bill.
57. Generally food businesses will benefit from reduced compliance costs and benefits will be achieved through only food safety requirements relevant to an individual food business being imposed. A degree of national consistency can be achieved through the new regime; this does not exist at present. Territorial Authorities currently cost recover registration and inspection (verification) fees, which range from 10% to more than 100%

of the fee being cost recovered; with the median being 66%. There will be a need for greater transparency to be provided to food businesses in respect of the fees that are charged to them.

Further minor policy changes

58. The policy agreed in October 2006 provided for the rolling over of the existing joint Food Standards but that these are made by the Director-General rather than at Ministerial level. The policy noted that this would not affect Ministerial involvement in the standards process undertaken by the Australian and New Zealand Food Regulation Ministerial Council. It was also noted that these joint Food Standards would continue to be deemed regulations.
59. While working on the draft Food Bill, NZFSA realised that the decision to have the joint Food Standards made by the Director-General rather than at Ministerial level was creating an overly complex process, when the existing process was effective. It was agreed that the policy should now change to reflect that the existing system for how joint Food Standards should remain unchanged.

Other comment

60. Territorial Authorities and NZSFA will face costs in becoming familiar with the proposed regime and the time that will be required to educate and advise food businesses. Some of these costs have already been mitigated by the introduction of the Voluntary Implementation Programme, which has provided opportunity for Territorial Authorities to trial the implementation of food control plans with the food service sector in advance of a mandated regime.
61. Costs will reduce as the level of skills and knowledge of the new regime by Territorial Authorities and NZFSA increases. There will still be a need for ongoing education to be provided to food businesses because of the high turnover in food businesses (estimated at 25% annually).
62. Providing for a comprehensive legislative package will negate the need for Territorial Authorities to create individual bylaws to address gaps in the existing system. Bylaws undergo a rigorous consultative process which can be costly to Territorial Authorities.

Consultation

63. The options discussed in this paper were considered by the NZFSA / Local Government New Zealand / Territorial Authority Steering Group (TA Steering Group) at a meeting in May 2009 and via email. Some members of the TA Steering Group have also sought the views of other Territorial Authorities as part of their regional cluster group prior to commenting to NZFSA. The TA Steering Group gave consideration to both options C and E, and expressed the view that it was important that a reform of the food regulatory regime should be comprehensive. They expressed a desire to ensure that regulatory changes had sufficient 'teeth' within the law to enable them to monitor and enforce compliance appropriately. This would be achieved through option E and the enforcement tools that would be available in the new legislation, such as improvement notices through to prosecution.
64. The TA Steering Group was strongly supportive of Option E, and agreed that a shift to a greater use of national programmes to reduce compliance costs and provide certainty to food businesses is a sound approach.
65. NZFSA has also consulted with the Food Retailers and Food Service Advisory Forum & Food Manufacturers and Processors Forum. A verbal update on the progress made on the Food Bill and possible reform was given to members of the two forums on 18 June 2009

and the draft regulatory review report was circulated via email. The comments received on the report were in support of a revised Food Bill.

66. The Small Business Advisory Group (facilitated by the Ministry of Economic Development) has also been consulted via email. One member from this group provided comment indicating that Option E looked to be the quickest to implement.
67. Consultation was also undertaken with the Ministries of Health, Economic Development, and Agriculture and Forestry, the Department of Internal Affairs, the State Services Commission and the Treasury. Generally departments were supportive of the regulatory review and the recommendation that option E should be chosen to progress the Food Bill.
68. The Cabinet paper, regulatory review report and RIS were also provided to the Department of Prime Minister and Cabinet for their information.
69. In terms of specific comment, the Ministry of Health was concerned that not enough emphasis had been placed on the public health outcomes that would be achieved from revised legislation. NZFSA is of the view that the public health outcomes i.e. minimising and managing risks to public health and protecting public health are part of the purpose of the drafted Food Bill. These outcomes have not been changed.
70. The Department of Internal Affairs queried whether food safety is an area where local discretion is desirable, and whether the proposed regime would be better served by central agency implementation through regional offices. NZFSA is of the view that these concerns were addressed during the DFR, with Territorial Authorities agreeing that they wished to maintain a role in food safety. Territorial Authorities possess local knowledge of food businesses operating within their district, they can respond quickly if an incident arises within their district and they already employ Environmental Health Officers who can deliver on food safety activities. It would not be cost effective to set up implementation through regional offices controlled by central Government. NZFSA agrees with, and supports, the ongoing involvement of Territorial Authorities in food safety activities for New Zealand.
71. Treasury and the Ministry of Economic Development were also consulted on the Terms of Reference for the Review, and the report that was prepared against the Terms of Reference.

Financial Implications

72. There are no financial implications associated with this paper. The proposal will be funded within the existing Vote: Food Safety appropriations.

Human rights implications

73. Officials are not aware of any implications relating to the New Zealand Bill of Rights Act 1990 or the Human Rights Act 1993.

Legislative implications

74. The preferred option, Option E, has legislative implications. The Food Bill is currently a Category 6 (on hold) on the Legislative Programme. I propose that the Food Bill be given a Category 4 (to be referred to a select committee in the year).

Regulatory impact analysis

75. A Regulatory Impact Statement (RIS) has been prepared, and the regulatory impact analysis (RIA) and RIS have been independently reviewed by the Treasury's Regulatory Impact Analysis Team (RIAT). RIAT considers the analysis to be adequate according to the adequacy criteria. The RIS is at Attachment One.

76. The principles of the Code of Good Regulatory Practice and the regulatory impact analysis (RIA) requirements, including the consultation RIA requirements have been complied with.
77. The draft Cabinet paper and RIS were circulated to departments for consultation, as discussed in paragraphs 60 – 68 above. The final RIS has been circulated to the Ministry of Economic Development and the Treasury.

Publicity

78. Subject to Cabinet's agreement, I intend to make a public announcement reflecting Cabinet's decision to introduce a revised Food Bill that will reflect changes to improve business certainty and further reduce compliance costs.

Recommendations

79. It is recommended that the Cabinet Economic Growth and Infrastructure Committee:
 1. **note** that Terms of Reference for progressing the Food Bill, as part of the Regulatory Reform Programme 2009, have been completed and agreed by the Minister of Finance and the Minister for Regulatory Reform;
 2. **note** that the review of two options selected by the Cabinet Economic Growth and Infrastructure Committee (EGI Min (09) 5/11 refers), Option C – making a limited amendment of the Food Act 1981 (and the associated regulations) and Option E – introducing a revised Food Bill that reflects changes to improve business certainty and further reduce compliance costs, has been completed;
 3. **note** that a copy of the Regulatory Review Programme report on Option C and Option E is attached as Appendix Two of the regulatory impact statement;
 4. **note** that the recommendation of the Regulatory Review Programme report is that Option E should be used to progress the Food Bill to provide greater certainty to food businesses and reduce compliance costs;
 5. **agree** to continue work on a revised Food Bill based on Option E that will extend the use of national programmes and deliver a comprehensive package providing for:
 - an enhanced imported food regime;
 - mandated risk based tools (both regulatory and educative) and a shift of the onus of responsibility from the Government to the food business operator;
 - the removal of the Food Hygiene Regulations 1974 and replacing them with regulations that are outcome based and enabling;
 - the clarification of the New Zealand Standard as the platform for all food sold within, and exported from, New Zealand;
 - increased audit capability and the Territorial Authority role;
 - improved penalty provisions;
 - improved enforcement regime (in line with the Search and Surveillance Bill requirements); and
 - an improved technical alignment of all food legislation;
 6. **note** that agreement to the policy for a new Food Bill was agreed in October 2006 and the policy is based on an extensive review and consultation process from 2002 to 2006;
 7. **invite** the Minister for Food Safety to issue drafting instructions to Parliamentary Counsel Office to give effect to the above proposals for Option E;

8. **invite** the Minister for Food Safety to issue a media statement advising Government's approval to introduce a revised Food Bill that will reflect changes to improve business certainly and further reduce compliance costs.

Kate Wilkinson

Hon Kate Wilkinson
Minister for Food Safety

Date: 27 / 7 /2009