

15 March 2024

Via costrecovery@mpi.govt.nz

SUBMISSION TO MINISTRY FOR PRIMARY INDUSTRIES ON THE PROPOSAL TO MAINTAIN AND EXPAND NEW ZEALAND FOOD SAFETY'S CORE REGULATORY SERVICES UNDER THE FOOD ACT 2014

Thank you for the opportunity to present this submission on the proposal to maintain and expand Aotearoa New Zealand Food Safety's core regulatory services under the Food Act 2014 (**the Act**).

Local government has significant institutional knowledge that could positively contribute to the development of New Zealand Food Safety's core regulatory services.

The Queenstown Lakes District (**QLD/the district**) has an average daily population of 71,920 (visitors and residents) and a peak daily population of 114,790¹. The district is experiencing unprecedented growth with its population projected to nearly double over the next 30 years.

The district is one of Aotearoa New Zealand's premier visitor destinations, drawing people from all over the world to enjoy spectacular wilderness experiences, world renowned environments and alpine adventure opportunities.

These factors make 'accommodation and food services' the single largest part of the district's economy, comprising 14.1% of its GDP (\$557.3 million in 2023) and is the district's fastest growing industry, fueled by the strong return of international visitors following the removal of COVID-19 restrictions. The size of the industry means 17.8% of the district's jobs are in the accommodation and food services sectors².

The district has a small ratepayer base, but its growth and economic activity is more aligned with a metropolitan centre. This situation places pressure on QLDC to operate its core services, including those under the Act.

QLDC acknowledges the importance of Aotearoa New Zealand's food safety system in protecting and supporting the health of New Zealanders and to support Aotearoa New Zealand's exports. An effective and efficient food safety system is critical for the ongoing wellbeing of the district, and its reputation as a world class tourism location that offers a range of high-quality restaurants, cafes, bars, and various other unique food and beverage experiences.

QLDC supports the overall intent of the proposed service improvements, in particular to:

- develop and maintain accessible rules and templates to make it easier for domestic food businesses to meet legislated requirements,
- make it easier for registered food importers to meet legislated requirements,
- maintain the national register of all registered food businesses, and work with Territorial Authorities to support them to fulfil their regulatory role
- supporting national consistency of verification services, including providing further training

¹ <https://www.qldc.govt.nz/media/ygilrton/demand-projections-summary-march-2022-2023-to-2053.pdf>

² Infometrics, Regional Economic Profile

- ongoing development and maintenance of content and tools to help guide food businesses to find the rules that apply to them.
- identify areas of national poor performance, investigate drivers of performance to target and work with co-regulatory partners to develop and deliver national interventions to lift business compliance through education, assistance, and deterrence
- undertake audits to enable provision of assurance regarding specific food sectors, or issues.

However, QLDC has a number of concerns that it would like addressed as part of the Ministry for Primary Industries (**MPI**) decision making process. These are set out at a – h below.

- a) QLDC understands that existing funding is available to manage the proposed services. This existing funding should be used (in the first instance) to offset the need to collect a levy as much as possible. The management of food safety should be a centralised system funded from central government as the reputation of Aotearoa New Zealand's food safety is paramount to the social, economic, cultural and environmental wellbeing of the nation. The cost, if charged, should be based on each registration (rather than on a site-by-site basis), or there needs to be calibration at a national level on what constitutes a site/multisite.
- b) Requiring Territorial Authorities to collect the levy would present an onerous administrative process. The levy should be collected by MPI. QLDC has concerns about how efficiently MPI will manage this system, and as such, it is not understood if the proposed \$11 (maximum) collection amount will be sufficient to cover the true cost for Territorial Authorities to collect the levy. More information is needed on how this process will be practically implemented on a day-to-day basis. The consultation does not cover the means for chasing debts, debt collections and if non-payment would result in cancellation of an operators registration.
- c) QLDC notes that the Act, Regulations, Notices and other associated legislation to manage food safety are not clear and does not provide an adequate framework for food operators to work with. The legislative tools to ensure food safety and suitability need to be reviewed and this will assist food operators with compliance. If this was the case, the need to provide more guidance and tools would be reduced.
- d) The Titiro and 'multiple approval processing' systems presently in use to review verification, registration etc are inadequate and further funding into the use of these recording systems is not supported. QLDC considers that a full system review be conducted to replace Titiro and multiple approval processing.
- e) Domestic food businesses would benefit from greater consistency of training for verifiers and provision of verification services. There needs to be greater consistency and improved support of the verification services. Ideally however, this should not be paid for by the food operator but rather through MPI funding.

- f) Resources for verifiers are considered inadequate. Such resources should be prepared by technical experts in the sector and based on adequate risk analysis and review of contemporary research. Further, the development of all resources should take on board feedback from verifiers.
- g) Importing food and ensuring food that comes into Aotearoa New Zealand is an area that needs more focus specific to food safety and suitability.
- h) It would be beneficial to have a national group working on specific food safety issues and supporting both food operators and verifiers. Further, a Territorial Authority/Third Party verifiers group should be set up to independently review the MPI service provisions. This group would need to have the powers to ensure issues are identified and addressed.

QLDC would not like to be heard at any hearings that result from this consultation process, but would be happy to discuss the points raised if the opportunity is available.

Thank you again for the opportunity to comment.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Stewart Burns', with a stylized, cursive script.

Stewart Burns
Assurance, Finance & Risk General Manager