



tourism
INDUSTRY

ASSOCIATION NEW ZEALAND

**Submission to the
Primary Production Select Committee
on the
Food Bill
2 September 2010**

Comment

1. This submission from the Tourism Industry Association New Zealand (TIA) comments on the Food Bill currently being considered by the Primary Production Select Committee. On this occasion, TIA is happy for its written submission to be acknowledged by the Committee and it will not need to appear in person.
2. TIA acknowledges that food safety laws require updating and understands the need to modernise existing laws to ensure New Zealand has, as the Bill's Explanatory note describes, "an efficient, modern risk-management-based regime that ensures food meets appropriate safety and suitability standards".
3. At a general level, the main concern of the Association throughout the review process has been the extra compliance costs for industry that a new Food Bill could create. As TIA said in the submission it made to the Domestic Food Review in 2006, an overly prescriptive regulatory regime around the preparation and serving of food would be likely to lead to an increased compliance burden for the many small to medium sized businesses which characterise the tourism sector. Other key recommendations in the 2006 submission included:
 - a) the need to minimise financial costs associated with a new regulatory regime;
 - b) the acknowledgement that Qualmark, as the tourism industry's quality assurance agency, as well as other tourism representative bodies, already have high quality food safety standards in place; and
 - c) the food handler guidance programme is best suited for the majority of tourism-related operators such as bed and breakfast, home stay and farm stay operators, holiday parks, activity businesses and some motels.

Administration, enforcement and compliance

4. As noted in paragraph 3, the need to minimise administrative burden and compliance costs is the major concern for tourism businesses from the new Food Bill. At present, TIA members report uneven practices being adopted by the country's territorial local authorities (TLAs). For example, in some regions, TLAs carry out regular food safety inspections but in other areas they have ceased this practice. With the inspection practice apparently uneven around New Zealand, for the legislation in the new Food Bill to work smoothly, it will be essential that the inspection and enforcement regime achieves consistency.
5. With regard to cost recovery, TIA members are concerned as to what the actual costs of compliance will be so they can plan accordingly. It also propels the feeling that compliance costs could put some people out of business, especially micro-sized operations. Greater clarity around actual compliance costs would be helpful.

6. Another point worth mentioning is that many tourism businesses already meet stringent food hygiene, preparation and serving regulations because of their link or association with parent organisations or through Qualmark. Qualmark sets minimum requirements for food and kitchen hygiene relating to fixtures and fittings, refrigerators, meal preparation areas and general safety. In addition, other food, kitchen and cleaning practices are checked and star ratings awarded accordingly. @Home NEW ZEALAND, the association representing several hundred bed and breakfast establishments in the country, carries out biennial assessments that include inspection of kitchens and food preparation areas. TIA believes that further checks or inspections may duplicate current practice or impinge on the capacity of small businesses to do the job.
7. While intentional flouting of the law should result in prosecution, most businesses actively seek to comply with government regulations. Accidental or unintentional non-compliance of the law is best met with support and assistance to help businesses meet new legislative criteria.

Local government responsibilities

8. In the past decade, local government has been handed a raft of new legislation to enforce at a TLA level and the Association thinks that central government agencies should be cognisant of the compliance burden actually placed on staff in Council offices. While TLAs must simply accept and work with new legislation, this is often done without any extra resource. As mentioned, the net impact of this is the uneven nature of enforcement between one TLA and another. Furthermore, it will be crucial that information dissemination relating to provisions in the new Food Bill is nationally consistent.

Risk-based measures

9. TIA believes the right balance has been struck in setting risk-based measures under the new Food Bill. At the top end of the scale, the Food Control Plan is an appropriate food safety requirement for many of the large players in the tourism industry, such as hotels and convention centres who already comply with high quality food safety standards.
10. For the vast majority of tourism businesses, however, the Food Handler Guidance category is the most suitable and TIA is happy with the emphasis this category has been given in the Food Bill. For example, bed and breakfast operators, holiday parks and campgrounds, and home stay and farm stay operations will legitimately sit in this category. The Association believes these types of operations are at the lower end of the food safety risk scale.

Education

11. The education element of a new regulatory food safety regime will be important. Appropriately scheduled courses, available outside the peak visitor season, that are relevant, affordable and meet international best practice, will benefit TIA members and the wider tourism sector. At the same time, TIA believes that a public campaign funded by central government, informing not only food providers, but consumers, on basic food safety guidelines, would be well worthwhile.

Conclusion

12. TIA largely supports the new Food Bill in its proposed form. Taking into account the Association's comments around compliance and administration costs, existing industry regulations and consideration of an education campaign, the Association thinks the Bill will meet its objectives as set out in the Explanatory note.

Simon Wallace
Policy and Research Manager
Tourism Industry Association New Zealand
2 September 2010

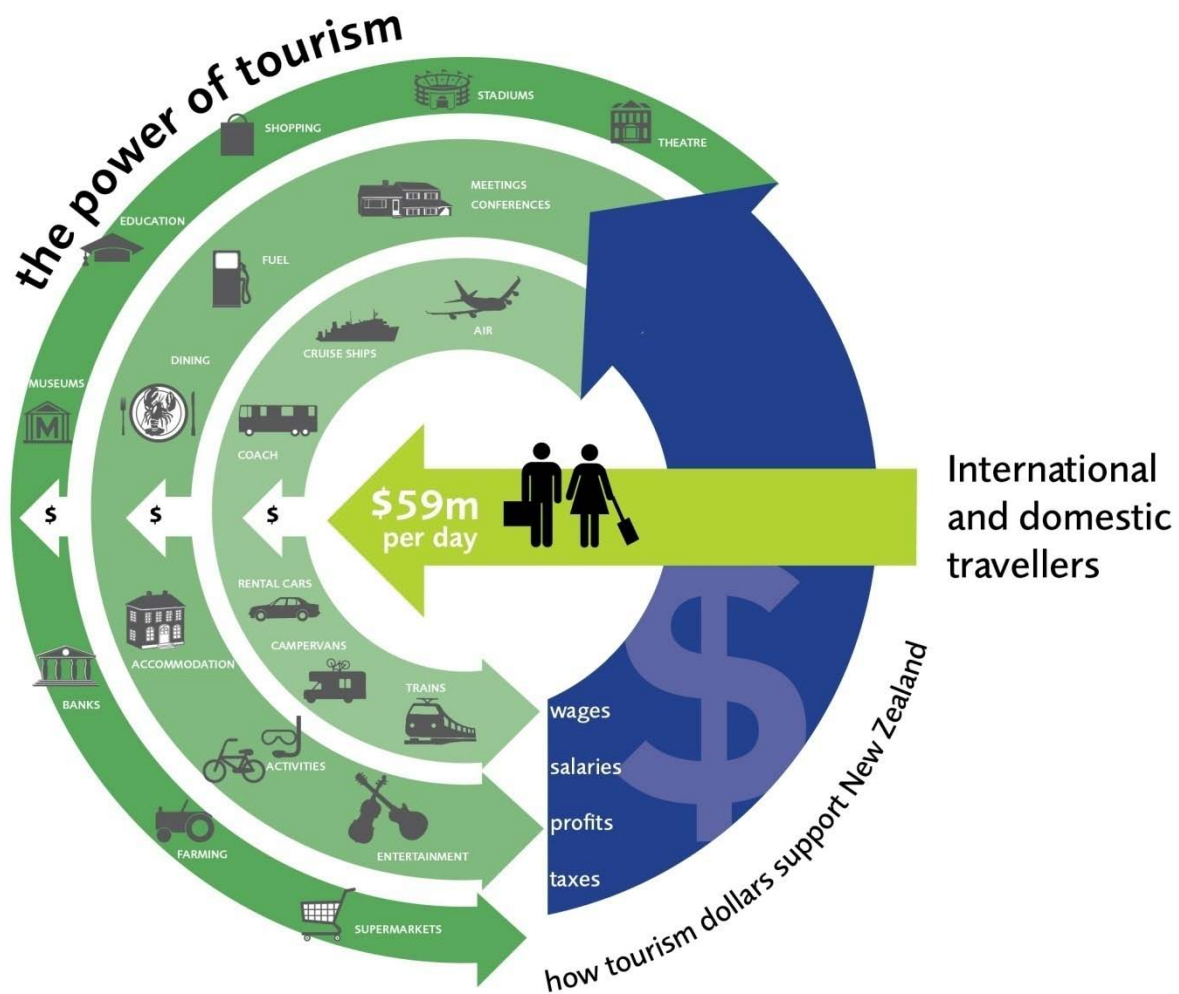
Background

A bed-rock of New Zealand's economy

13. Tourism is a major contributor to the New Zealand economy that will always be here – and won't easily go offshore. Tourism takes the lead in promoting New Zealand to the world. Thanks to our 100% pure positioning, New Zealand is recognised as one of the most beautiful, unspoiled and scenic places on earth. 100% Pure signifies pride in our country, pride in our people and culture, and pride in the unique environment and experiences that New Zealand offers.
14. The brand positioning built by a vibrant tourism industry has become an important source of national confidence and identity and a front window for "Brand New Zealand". Indeed, the clean, green, pure offer that is synonymous with New Zealand tourism has been widely adopted and used to promote New Zealand exports in a range of other industries as well.
15. If New Zealand Inc. is to continue to prosper, to attract investment and to raise its position in OECD rankings, then it is vital the tourism industry, and the positive image it projects, remain strong.

Delivering Value

16. Below is a snapshot of the economic value provided by tourism to the New Zealand economy.
 - Tourism contributes more than 9.1% of gross domestic product (GDP) for New Zealand as well as directly and indirectly employing one in ten New Zealanders.
 - Tourism in New Zealand is a \$59 million per day industry. The New Zealand tourism industry delivers \$25 million in foreign exchange to the New Zealand economy each day of the year. Domestic tourism contributes another \$34 million in economic activity every day.
 - Tourism expenditure reached \$21.7 billion for the year ended March 2009. International visitor expenditure accounted for \$9.3 billion or 16.4% of New Zealand's foreign exchange earnings, with tourism second only to agriculture as the country's largest export industry.
 - Importantly, and despite more challenging times in the past two years, tourism remains one of New Zealand's largest foreign exchange earners and its contribution is felt at national, regional and local levels.



About TIA

17. TIA has been the lead association that represents the interests of about 1,700 tourism businesses in New Zealand. The Association was first established in 1955 and the businesses TIA represent cover a range of tourism-related activities – hospitality, transport, accommodation, adventure and activities, attractions and retail as well as related tourism services.
18. The primary role of TIA is to be the voice of the tourism industry. This includes working for members on advocacy, policy, communication, events and membership and business services. The TIA team is based in Wellington and led by Chief Executive, Tim Cossar.

Main Industry Associations in the Tourism Sector

