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Centre for Agricultural Strategy

Management of regulation in the food chain - balancing costs, benefits and effects

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Opening Address

Angela Browning, MP

INTRODUCTION

I am delighted to be here today, and to have the opportunity to open this Conference. The Centre for Agricultural Strategy has a well deserved reputation for the quality of its Conferences and this one has all the hallmarks of another highly successful event. You have a most interesting programme before you and some first-rate speakers. It is particularly topical to be looking at some of the issues you are considering today in the light of our recent announcement of our intention to create a new Food Safety Council, chaired by an independent Food Safety Adviser. I shall say more about this in a moment.

IMPORTANCE OF CONSUMER PROTECTION

When considering food legislation, the government regards protection of consumers as of paramount importance. Food laws are necessary - *essential* - to protect the public. We need to ensure that food is safe; that consumers are not cheated; and that they have the essential information needed to make choices relating to health and nutrition. We must do nothing which jeopardises this important protection. It is not a case of 'them' and 'us'; of 'industry' and 'consumers' and 'ne'er the twain shall meet'. Every one of us in this room - whatever our background and interests - is a consumer. We all have a key and overriding interest in ensuring that the food we, and our families, eat is safe.

KEY FACTS AND FIGURES

The food chain is of the greatest importance to the economy of this country. The wealth generated by the sector accounts for around 9% of Gross Domestic Product. The 350 000 businesses in the sector provide 3.5 million jobs. And exports of food and drink are earning us £10 billion abroad.

SENSIBLE REGULATION AND DEREGULATION

While food safety and consumer protection are paramount, we need also to ensure that our food and drink industry is not bound up in unnecessary red tape. If the industry is to compete in a global economy it needs sensible food laws that assist fair competition and trade and strike out unnecessary barriers. Too much law, or bad law, imposes real burdens - particularly on small businesses. Companies need to concentrate on the key legislation, on the laws that have a real bearing on food safety and consumer protection. If they are snowed under by excessive, minor pieces of legislation they may lose sight of what really matters.

Deregulation has been, and remains, a key policy of this Government, and of the Ministry of Agriculture, Fisheries and Food (MAFF). I know that some people get nervous when the words 'deregulation' and 'MAFF' are used in close association. But let me emphasise that deregulation is *not* - emphatically *not* - about removing essential protection. It is, however, very much about removing the unnecessary burdens that add unwarranted costs to business and stifle growth of a competitive economy.

When we are considering any new regulation, or indeed removing old regulations, we have to strike the right balance between costs and benefits. How do we do this? First of all by a rigorous system of Regulatory Appraisal. Lucy Neville-Rolfe will be speaking about Regulatory Appraisal this afternoon. For now, let me just say that these appraisals set out the costs to business of the proposed legislation, and compare them with the benefits, using risk appraisal techniques. We also guard against any tendency to impose additional, unnecessary burdens, what we call 'gold plating'. Nor do we 'double bank' by duplicating existing laws. Again, just to keep Ministers on their toes, we now have to certify that a checklist for avoiding gold plating and double banking has been followed. All of this helps to ensure that we make new legislation prudently and wisely, to avoid the overregulation that has proved burdensome in the past.

CURRENT ISSUES

Done properly, deregulation is, therefore, a good thing. In line with our Food Law Deregulation Plan, last year we undertook substantial

simplification and liberalisation of United Kingdom (UK) food law. A package of measures was introduced on 1 January 1996 which removed many unnecessary compositional requirements. Consolidation and review of the Food Labelling Regulations, completed on 1 July 1996, led to further deregulation of UK compositional regulations. The food industry now has a much shorter, and clearer, set of legislation which it has to follow.

In conjunction with the Department of Health, we have made an order under the Deregulation and Contracting Out Act 1994, to introduce new, business-friendly procedures to be followed when local authorities issue food safety improvement notices. This does not impede in any way an Environmental Health Officer's ability to take immediate enforcement action where the circumstances merit it.

As many of you will know, the European Commission is currently considering ways of consolidating and simplifying food hygiene legislation. One of the most important elements we strongly want to emerge from this consolidation is the affirmation that the operation of 'hazard analysis principles' is the system of choice when it comes to food safety controls. The Government recognises hazard analysis to be a fundamentally important tool in this area. It places clear responsibility on food businesses to manage their operations in a 'hands on', systematic and safe way. Hazard analysis provides a far greater assurance that safe food will be delivered than does reliance on prescriptive legislation which can serve to lull food business operators into a false sense of security. Furthermore, the requirement to operate 'hazard analysis principles' is a feature of some, but not all, product specific hygiene directives. We should like to see this requirement extended across the board. We also want to see the prescriptive provisions in hygiene directives reviewed with a view to retaining only those that can fully be justified in the interests of public safety.

FOOD SAFETY COUNCIL AND FOOD SAFETY ADVISER

If the public does not have confidence that the food they buy is safe, of good quality, and what it claims to be, no amount of elegant streamlining and deregulation is going to convince them otherwise. We have seen in the last year the major ramifications there can be for the agriculture and food industries when consumers lose confidence in the safety of food. That is why, as I have said earlier, we need to have adequate regulation to assure them that they are properly protected from food safety risks.

But we need to go further than this. We need to regain the trust of consumers; to reassure them that, in the process of balancing that I have talked about, their interests are given adequate weight; and we need to make sure that the decision making process is open and

transparent. This is the thinking that lies behind our announcement, two weeks ago, of our intention to create a Food Safety Council, chaired by an independent, eminent adviser on food safety. The Council and the Adviser will provide the public with a source of independent advice, publicly given, which they will be able to trust. It will take a strategic view of the longer-term agenda on food policy matters, and draw together issues of importance ranging across the work of all our existing independent advisory committees. Its membership will be widely drawn, including all those with an interest in the safety of the food supply. The new Food Safety Council will therefore play an important part in ensuring that decisions on food safety are based on the best possible independent advice which takes account of all the interests.

Of course, some have argued that what we have proposed does not go far enough, that what is really needed is a food agency. But the proponents of an agency have not said exactly what sort of body it would be, or how it would work. They talk about separating off the consumer interest from the producer interest, but they fail to recognise that the food chain is an integrated whole, where decisions taken by the producer have important effects for the consumer and where safety must be paramount from start to finish; and notwithstanding what has happened with Bovine Spongiform Encephalopathy (BSE) in the last year, it is a trend that was already developing and one which I think, because of BSE, is rightly at the forefront of our thinking. For example, when talking to farmers, it is evident that they are increasingly recognising the importance for them, at the point of food production, of much more involvement in what is required at the end of the food chain - not just in terms of the quality of the produce itself but also of the transparency needed to enable the processors and retailers to give the necessary guarantees to consumers.

They also miss another important point - that any body which takes and implements decisions on food safety will then naturally defend those decisions. Our proposal is more imaginative than this. It separates out the functions, so that Ministers remain responsible for taking and implementing decisions, whilst the Food Safety Council and Adviser are able to stand back and take an independent, supervisory role. If they do not like what they see, they will have the power to criticise publicly, or in their reports. In effect, what we are proposing will make a real contribution to improving food safety, and will help to ensure that the quality of our regulation is good, without creating costly bureaucratic structures which would be out of touch with the important practicalities of operating in the food industry. Perhaps I could just reiterate that when Douglas Hogg made this announcement he emphasised that this is not a 'soft option' for Ministers. Quite rightly we have to stand at the despatch box and account to Parliament for the

policy decisions that we make. In the case of food safety those policies are often based on advice given by independent committees, but the Food Safety Adviser will have an overarching authority and will be able to comment publicly on policy announcements; and Ministers will be put in a position where they have to defend their decisions.

PERORATION

I am conscious that time is moving on and you have a full day ahead of you. The Centre for Agricultural Strategy must be commended for producing such a highly relevant and topical programme, and for lining up such a distinguished selection of speakers. I am sure you will have an excellent and thought-provoking day. I am only sorry that I shall not be able to stay to hear your discussions. However, my colleague, MAFF's Deregulation Minister Tim Boswell has joined you and hopes to stay most of the morning. I am pleased to say that MAFF has been able, in a small way, to help support this conference. I wish you every success.

DISCUSSION

Mrs Vera Chaney (Green Network) stressed the importance of including professional medical expertise, preferably a pathologist, in the membership of the Food Safety Council.

Mrs Angela Browning gave an assurance that there will be medical representation and noted the preference for a pathologist. She also confirmed the important new development under which the Chief Medical Adviser will be officially advising MAFF as well as the Department of Health, and will as part of his duty of safeguarding the public's interests communicate his views on food safety issues.

Mr David Gaunt (British Simmental Cattle Society) said that it is generally recognised that discipline begins in the home and he asked the Minister to comment on whether MAFF undertakes discussions with the Department for Education with regard to teaching food hygiene in the home. He also felt that the title 'Food Safety Council' implies another bureaucratic layer and suggested that 'Food Authority' would be more appropriate; and asked whether the new body would have authority independent of government.

Mrs Browning fully accepted the point about the importance of safety in the home and recognised that a lot of problems such as food poisoning could be avoided with proper handling and cooking of food, right the way through the chain, but importantly in the home. She

drew attention to the MAFF 'Food Sense' literature which is widely disseminated to a range of institutions, including schools, and confirmed that relevant discussions do take place with colleagues in the Department for Education, not only about food hygiene but also about the nutrition aspects. On the question of the independence of the new body, Mrs Browning explained the difficulties, especially in relation to a loss of public confidence, of Ministers setting out their policies based on expert committee advice on the one hand, and the expression of alternative opinions by other experienced and qualified authorities. She therefore felt that the appointment of a Food Safety Adviser, backed by the expert team of Council members, with the responsibility of assessing whether the government has got it right, has not gone far enough, or even got it wrong, is the most effective way of ensuring the appropriate degree of independence. Furthermore the Council secretariat, which is now being discussed with the organisations concerned, will not be based in MAFF nor in the Department of Health, and will therefore be seen to be transparently independent.

Mrs Teresa Wickham (CAS and Food Industry Consultant) referred to the proposal to set up a Food Safety Council and asked whether consideration is being given to its interface with a possible European Union (EU) Food Agency.

Mrs Browning confirmed that the EU is looking at setting up such a body and expressed expectation that they would have regular contact, because so much of our food law is now based on EU-wide regulation. She felt that within the single market it is vitally important that UK regulations are as compatible as possible with EU regulations, that the interface between the EC and member governments should be effective, that their agenda will be published in advance for full public information purposes and that the outcome of their meetings will also be published.