

# *Pork Council of Australia Limited*

ACN. 065 522 948

## PCA SUBMISSION TO THE PRODUCTIVITY COMMISSION ON FACTORS AFFECTING PROFITABILITY AND COMPETITIVENESS OF PIG PRODUCTION IN AUSTRALIA

### **1. Introduction**

A surge of imports of frozen pigmeat from Canada is causing and is threatening to cause a significant overall impairment in the position of the Australian pork industry.

The pigmeat producers find themselves in severe difficulty as the result of the unexpected surge in imports that has occurred since mid-1996 - damage has been incurred in the form of declining profits and negative cashflows, falling production, employment and other adverse impacts.

Structural change in the industry has been significant and has been underway for a considerable period of time against the widely-had understanding and expectation that imports would continue at around 5-10% of Australian production of boneless leg meat, a level achieved following the opening of the Australian market in 1990.

The expectation of relatively low and manageable import penetration at around these levels and attendant manageable pace of structural adjustment, must presumably have been on the basis on which the Government, without consultation with the industry, bound tariffs on imported pigmeat at zero in the WTO Uruguay Round Settlement from 1995.

However, the rapid and unanticipated surge in import, in the most recent years has fundamentally injured the industry and simultaneously undermined the foundations on which industry development and restructuring was proceeding. The damage of the surge in imports has been profound, as is clear from the results of the survey undertaken for the purposes of this Inquiry, and has severely undermined confidence in the industry.

As stated in our Submission to the Safeguards Inquiry, the Safeguard Measures required would give the industry the breathing space it needs to continue in an orderly manner the current substantial changes underway in the industry's structure, improve competitiveness against imports and enable the industry to continue building its export capability

A continuation of the unrestricted import surge the industry has faced would undermine these effects, and cause devastation not only to the industry but more broadly too.

The pork industry understands that it must be able to have a sustainable future on the basis of no safeguard measures over the longer term and thus be able to compete against imports and export successfully.

However, it must be understood that improvements in competitiveness are a function of orderly restructuring, and additional detailed measures and strategies to improve industry competitiveness will flow from initiatives already underway, including those of the PCA, the APC, PRDC and the National Pork Industry Development Group.

Until certainty and confidence is restored in the industry as a result of safeguard measures and these initiatives have had an opportunity to bear fruit, this Inquiry's value will be limited. The remainder of this Submission points to some of the key factors likely to be of importance in improved competitiveness in the pig farming industry.

## **2. Cost Leadership - Factors Affecting Costs**

### *Feed Costs*

According to the annual production cost structure as undertaken by the Australian Pork Corporation (reported in PigStats97; Page 45), feed grain costs are by far the most significant input cost in pig production, accounting for 57% of all costs. Other cost drivers are labour, which accounts for 16%. Overhead costs (accounting, depreciation, administration etc) comprise another 16% of all costs, while shed and herd costs comprise the remaining 5% and 7% respectively.

Clearly, grains are the key driver to determining the competitiveness and profitability of pig farming. Unfortunately, although the domestic feed industry has recently been deregulated, domestic feed prices tend to, on average, be higher than grain prices charged on the export market. The inability of Australian pig farmers to access feed grains at export-parity prices has necessarily placed them at a competitive disadvantage *visa-vis* their North American counterparts. For example, Canadian pig farmers are able to purchase feed grains at or even below export parity prices. Since the abolition of the Crow subsidy (Western Grains Transportation Act) in 1995, which enabled farmers to transport grain by rail from farm to port at below cost, there has been a greater incentive to divert grain from export markets to domestic livestock production. US farmers are also able to access grain at world-parity prices. The ability to source such a key input at lower prices has necessarily given North American producers a distinct edge in world markets.

In Australia, domestic grain is sold at higher prices than export grain (ABARE, Personal Communication), and this is a disincentive not only for export, but also domestic market development. The Australian pig industry (and for that matter other agricultural industries which depend on feed grains) should have access to feed at world competitive prices (in this case, since Australia is an exporter- export parity prices). In times of drought, the situation becomes even more acute, as export contracts tend to be catered to first, leaving a significant gap on the domestic market. and because of the quarantine restrictions on imported grain, the sharply reduced supply of domestic feed means that prices rise very sharply, making the pig industry even less competitive during such times.

### *Labour Costs*

Labour costs are also crucial to the cost competitiveness of pig farming. However, and especially on the smaller operations, much of the labour cost is absorbed by family members. Hence, despite the severe financial damage suffered by pig farmers, Council's survey (Stollznow Research Pty Ltd, September 1998) revealed only a 7% decline in on-farming employment. Continuing micro-economic reforms in the labour market, with greater emphasis on wages being linked to productivity gains should ensure a more competitive workforce. Improvements in work practices, together with increased training should also lead to greater labour productivity.

### *Environmental Costs*

According to Council's survey, environmental costs were identified by producers as having a negative impact on the viability of pig operations. This was particularly pronounced for the larger producers (those having more than 400 sows). This suggests that the various environmental regulations may require review so as to modify farmers' environmental responsibilities. This is not to suggest that environmental factors are unimportant, but that they may be imposing too high a burden on pig farmers.

## **3. Other Factors Affecting Competitiveness**

### *Quality Initiatives*

Quality of product is one factor that has an impact on competitiveness, since it can attract a premium in the marketplace. Australian consumers also expect their food to be of high quality and safe to eat. Failure to meet these expectations will result in loss of market share to other competing food products. In the past, the assurance of quality has been the responsibility of the processor of the manufactured foodstuff. However, it is necessary to go back down the chain to the pig production sector to ensure that farm practices assist in the delivery of safe, quality pork and pork products. The pig producer has a significant role in maintaining and improving the safety and quality of pork.

It is imperative that Government continue to support initiatives of this kind to ensure product quality and an appealing image of Australian pork in export markets. (A copy of the Australia Pork Industry Quality Program is appended to this submission).

### *Risk management*

Increased training in management techniques and ways to better manage risk - especially those associated with declining prices (as in the current crisis) and the pig cycle (the lead and lag times associated with supply and demand in response to pig prices) is yet another way to enhance on-farm competitiveness. There is also a role for government intervention, since there are clear externalities stemming from improved farm management policies like Farmbiz (which provides funds for training) are a step in the right direction.

### *Export Development*

Export development is a key area where improvements to competitiveness can be made. Exports currently comprise about 3.5% of domestic production, and whilst they have doubled in recent years, this has been on an extremely small base. Clearly there needs to be a greater emphasis on export development by industry and Government to build on the current base. Industry recognises this, and is endeavouring to build up its export capabilities. For example, large operators like Bunge had indicated in its Submission to the Productivity Commission and in the public hearings in Melbourne on 24 August 1998 that it would increase plant and kill capacity so as to capture a greater share of the lucrative Japanese market. But those plans are on hold as a result of the depressed price and profit situation facing the industry and company. And unless there is a turnaround in the price and profitability situation, these plans will not be brought to fruition.

Council also believes that there is a case for more resources devoted to export development by industry and Austrade (perhaps a combined effort) to target special markets where returns are fruitful so as to boost overall export earnings in pork and pork products. Government can also assist in the process by seeking enhanced market access - especially in markets where prospects are good, but entry barriers remain a problem. And since Australian pork is unsubsidised by world standards (the OECD calculates a producer subsidy equivalent of 5%, compared to 15% for Canada), Government has a role in pressing for a worldwide reduction in distorting production and export subsidies, which lead to a corrupted world price. For its part the industry is now developing a proposal to form an export marketing company. The concept has been developed through the NPIDG business plan. The success of such an initiative will depend on application of safeguard measures to provide a framework for adjustment and development.

### *Establishing Commercial Producer Networks*

Pork producer networks already exist for purchasing, quality assurance and marketing. However, most networks still work within the existing commodity driven paradigm rather than through supply management/marketing relationships along the chain. To further enhance its competitiveness, the pork industry is going to work with networks of 20,000 sows to improve marketing and commercial performance. Key elements of this strategy will be to work with retailers, producers and processors and manufacturers in areas such as:

- Marketing partnership structure, development and management

- Contract development
- Product specification
- Quality Assurance
- Inventory management
- Skills enhancement

These initiatives and others are all at risk if the current price crisis in the Australian pork industry were to persist.

#### **4. Costs Affecting Processors**

Whilst this submission focuses on factors competitiveness of pig producers, clearly the returns to pig producers are dependent on the competitiveness of the processing sector. Here a range of factors is important. They include export inspection charges, export enhancement, labour costs and product differentiation.

##### *Export Inspection Charges*

Export inspection charges levied by AQIS are yet another area where Australian industry is at a disadvantage when compared to its North American counterparts. Under current conditions, Australian exporters have to pay a 100% cost recovery charge to Government for inspection fees. This is in stark contrast the US, where there are no fees, and Canada, where there is only a partial cost recovery system in place (recently implemented by Agriculture and Agri-Food Canada).

Council considers that as export inspection is a health and safety issue, and there are positive externalities associated with it, there is case for some contribution to be made by government. This would help in alleviating, to a degree, the overall cost structure faced by processors.

##### *Labour Costs*

Compared to pig farming, the pork processing sector is a lot more labour intensive. To that extent, labour market reforms which see wages tied more and more to productivity gains will have a very positive bearing on the performance, and hence the competitiveness of the pork processing sector.

##### *Export Enhancement*

Council believes that the proposed safeguard measures outlined in its Submission on Safeguards will provide sufficient adjustment for the domestic processing industry to develop into an export-oriented industry, rather than just focus on the domestic market. There is evidence of this already taking place. For example, the processing industry has, up until the present price crisis, been undertaking significant infrastructure expansion, and this process must continue if export opportunities are to be further exploited. This process must not be halted by the unimpeded flow of imports. Expansions to export capacity take time, and the four year adjustment period requested will allow the processing sector to build up to a production level that is capable of filling export orders without compromising the domestic demand requirements.

##### *Product Differentiation*

Through the Quality Assurance program outlined earlier, Australian pork already has a good image in overseas markets. This needs to continue if Australian product can be differentiated in the global marketplace, and therefore be able to command a premium over "generic" pork. This is particularly the case for the lucrative Japanese market, where factors other than price (such as consistency of quality) are more crucial to securing long term contracts.

## **5. Other Factors Relevant to Competitiveness and Profitability**

As shown above, pig production generates returns not only to pig farmers, but also to downstream processors, abattoirs, and manufacturers. Indeed the pork industry has very- substantial value adding and income and employer multiplier effects throughout the rest of the economy. Islam and Johnson (1997) from Agriculture Western Australia and the University of Western Australia found that the income multiplier for pork was the highest of all industries in the Australian economy (\$1 in wages and salaries in pork production generated \$6.57 in incomes in the rest of the economy) The study also found that the employment multiplier was second only to poultry amongst agricultural industries, generating almost one extra job in the economy for each job in the industry.

The implications of Western Australian study have a clear bearing on the findings of Council's survey. That is, by providing support which allows producers to get through the current price crisis, the benefits to the economy and employment of the future expansion of the industry (which safeguard action will allow for) will far outweigh any costs associated with the implementation of safeguard action. It also means that if safeguard support is not provided, the resultant adjustment costs will be far greater than the cost of providing that support.

## **6. Conclusions**

Safeguard measures will facilitate a resumption of orderly structural adjustment in pig farming and processing over the next 4 years. Efficient producers will continue their trend of productivity gains through increasing their herd sizes by reaping greater economies of scale. Processing companies will expand their operations to also take advantage of economies of scale, and concentrate their efforts in developing export markets through better targeting of market segments and by producing more differentiated products - aimed at specific markets.

Council is of the view that improvements in competitiveness are a function of orderly restructuring, and that more detailed measures and strategies to improve industry profitability will also flow from initiatives already underway. Until certainty and confidence in the industry is restored as a result of safeguard measures, and these initiatives are further developed, the industry, and the rural and wider economy as a whole will continue to suffer.

# Getting Started

*A guide to the  
Australian Pork  
Industry Quality  
Program*

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*The opinions, advice and information contained in this publication have not been provided at the request of any person but are offered by the Pig Research and Development Corporation to assist the Pig Industry to participate in the Australian Pork Industry Quality Program. The program has been developed to assist businesses involved in pork production to produce pork of the highest quality with reference to specific biological, chemical, physical and meat quality standards and according to good production practices.*

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*The contents of this document and the Australian Pork Industry Quality Program have been developed in relation to Australian pork production and the regulatory environment with respect to the use of veterinary medicines.*

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*The standards referred to in the Australian Pork Industry Quality Program may be the subject of periodic review. It is important therefore that users ensure that they are in possession of the latest standard and any amendments to them.*

## PREFACE

The Australian Pork Industry Quality Program leads the Australian pork industry to quality assurance via a three-stage process. The program will provide the Australian Pork Industry with a unique opportunity to more effectively respond to domestic and international market and consumer demands. The aim is for Australian pork products to be chosen by consumers for their quality.

This booklet shows the industry how to get started. It has been prepared with the assistance of pork producers, transporters and processors for the pig industry. These people were members of six pilot sites located throughout Australia who participated in the Pork Industry Quality Assurance Project, led by the Pork Council of Australia. The objectives of the project were to develop an effective quality assurance communication strategy and a training package for the industry.

Through the project and the pilot sites a practical, workable, grass roots approach to implementing Hazard Analysis Critical Control Point (HACCP) -based quality assurance systems in the pork industry was developed. The support of many people who contributed to the success of the pork industry project is acknowledged. Without dedicated groups of industry people around Australia, the Australian Pork Industry Quality (APIQ) Program would not be possible.

Funding for the project was provided by the Commonwealth of Australia through the Department of Industry, Science and Tourism's Food Quality Program, and supported by the Pork Council of Australia, the Pig Research and Development Corporation and the Australian Pork Corporation.



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## GLOSSARY

**ARMCANZ** An acronym for the Agriculture and Resource Management Council of Australia and New Zealand, a council of Federal, State and New Zealand Ministers who have responsibility for agriculture and natural resource management. It is the peak policy and decision-making body on agriculture and natural resources issues in Australia and New Zealand.

**Audit** A systematic examination to determine whether what is actually happening complies with the documented procedures. An audit determines if you are doing what you said you would do.

**Certification** An official recognition of achievement endorsed by a legitimate authority. An enterprise or individual may seek a certificate to confirm that they have achieved or are complying with a defined set of guidelines.

**Critical control point** A point in the production process where control can be applied to a hazard so that it is prevented, eliminated or reduced to an acceptable level.

**Good Manufacturing Practices (GMPS)** Codes of practice, industry standards, regulations and laws concerning production, processing, handling, labelling and sale of foods decreed by industry, local, state, national and international bodies with the intention of protecting the public from illness, product adulteration and fraud.

**Hazard Analysis Critical Control Point (HACCP) system** A systematic approach to:

- the identification and assessment of hazards associated with the production, processing, distribution and use of a particular foodstuff; and
- implementing measures which minimise the risk of the hazards and correcting the process to maintain control.

**Hazard analysis** An identification and assessment of the hazards in a food production process that could result in that food being unsafe to eat. This enables control measures relative to the real risks in the production process to be put in place.

**ISO 9000 Series** A series of international standards for quality management developed by the International Standards Organisation. They include systems that apply to virtually any type of business. The ISO 9002 standard is part of this series and is the recommended format for quality assurance systems under ARMCANZ directives.

**JASANZ** An acronym for the Joint Accreditation System of Australia and New Zealand, an international organisation which is the joint accreditation body for quality systems certification, product certification, personnel certification and laboratory accreditation.

**Quality assurance** Quality: - meeting the requirements of the customer. Assurance: - an independent indicator that the requirements of the customer are being met. Therefore quality assurance is a production system that results in products that meet customers' requirements with an independent assessment to demonstrate that.

**Safe Quality Food 2000** A quality system specifically developed for small businesses. It is owned by Agriculture Western Australia (WA Government) and is modelled on International Standards Organisation principles incorporating Good Manufacturing Practices and total quality management. It is more flexible and less expensive to implement and maintain than ISO 9002 and embraces HACCP planning.

**World Trade Organisation** An international body that establishes trade policy to enable free trade between countries while maintaining the integrity of the importing country's animal, plant and human health.

# INTRODUCTION

The phrase 'HACCP-based quality assurance systems' has been used on many occasions during conversations, in media statements and during media features on television and radio.

This booklet provides directions to producers, transporters and handlers of animals and pork products on how to start implementing HACCP-based quality assurance systems. These systems have been developed through the quality assurance project funded by the Commonwealth Department of Industry, Science and Tourism.

The booklet provides:

- answers to commonly asked questions; and
- a simple approach to achieving quality certification which can be achieved at each business's own pace.

# WHAT IS HACCP?

HACCP is a systematic approach to minimising the risks of hazards affecting production through a food processing chain. It is a management tool which identifies hazards and helps managers to select measures which either control, reduce or eliminate the hazard. It is a system specifically developed to focus on food safety at every step of production rather than trying to identify problems at the end.

This approach is consistent with changes occurring internationally. The World Trade Organisation has accepted the HACCP system as a standard.

Hazards are defined as any biological, chemical or physical factors which can cause food to be unsafe for human consumption or substantially reduce its value.

There are seven principles to be followed when developing a HACCP system for any food production and processing chain, outlined below.

1. Identify and assess potential hazards and assign preventative measures for significant hazards (hazard analysis).
2. Identify the critical control points in the process.
3. Establish the targets or tolerances which determine when control would be lost (critical limits) at each critical control point.

## **Example 1**

If a cooking step is used to destroy bacteria then there is a range of effective temperatures. If the cooking temperature lies outside this range then control of the hazard is lost.

## **Example 2**

If withholding periods for antibiotics are used as a control point then those withholding periods need to be defined relative to the use of the antibiotic.

4. Establish a monitoring system. You must ensure that you monitor the critical control points so that they stay within the critical limits that you have set. How you monitor and how often will depend on the hazard and the critical control point.
5. Establish corrective action for critical control points so that if monitoring demonstrates that the system is not operating within its defined limits something is done about it. Corrective action consists of two steps:
  - ensuring that any product which does not meet quality specifications does not go to customers; and
  - ensuring that the system is changed so that the problem is less likely to occur in the future.

### **Example 1**

Medicated pigs were sent to the abattoir and were still within the antibiotic withholding period. Corrective action consists of holding the pigs at the abattoir until the withholding period is complete. Corrective action could include defining a pre-sale area and re-training staff so that the error did not occur again.

6. Establish a verification program. You must be able to demonstrate that the measures used achieve the desired outcome.
7. Develop documentation which accurately depicts control measures, critical limits and corrective action.

The Australian pig industry is part of a global production system. It must satisfy the demands of consumers all over the world. To compete in this environment, the pig industry must adopt techniques, like HACCP, to assure customers that its product is clean and wholesome.

## WHY QUALITY ASSURANCE?

Quality means meeting the requirements of customers. It does not mean making the top range product.

Quality assurance is a management process which enables businesses to manage the hazards in the production process and to provide evidence to customers that mechanisms are in place which assure consistency of product.

Many quality descriptors cannot be seen by the customer. Examples include bacterial contamination and residues. Therefore some other method of assuring customers of quality is required. Assurance is given by testing the management process using independent, internationally recognised auditors.

## WHAT IS THE AUSTRALIAN PORK INDUSTRY QUALITY (APIQ) PROGRAM?

The Australian Pork Industry Quality (APIQ) Program is a three -stage program leading to quality assurance in the pork food industry. The three stages are the rungs of a ladder to be used by a business to build a quality assurance system.

### **Stage 1 Adopt the Pork Industry Quality Standards**

The standards are applied to the farm or transport business. (Processors participating in the project will join at stages two or three.)

The business registers with the APIQ Secretariat and receives the industry recognition certificate.

### **Stage 2 Implement and certify a HACCP plan**

The business trains staff in the HACCP process after completing Stage 1. It implements a HACCP plan. The plan and its implementation are audited by a second party auditor. Following a successful audit the business receives a certificate and registration number. It is eligible to use the consignment quality statement.

### **Stage 3 Upgrade to quality assurance**

The business implements and operates quality assurance after completing Stages 1 and 2. It undergoes a third-party audit by a JASANZ accredited auditor. Following a successful audit the business has earned the right to use the industry quality assurance logo.

# STAGE 1 ADOPT PORK INDUSTRY QUALITY STANDARDS

The first step towards creating a quality assurance system is the adoption of the Pork Industry Quality Standards.

During the pilot phase of the industry quality program it was found that it was very difficult for people to go straight to full quality assurance. Therefore the standards for Stage 1 have been assembled to enable most businesses to take the first step into quality assurance.

The objectives of the standards are to:

- provide businesses operating in the pork food industry with a method to initiate a quality assurance system; and
- encourage businesses to actively adopt good production practice.

The standards are based on hazards affecting pork quality through the food production chain. These hazards initially relate to antibiotic residues, meat quality and meat hygiene. HACCP methods have been used in pilot programs to identify the hazards and produce a practical set of steps that can be used to minimise risks without a full HACCP program. The standards will be reviewed regularly by industry through the Industry Quality Assurance Management Committee to ensure the information is based on current scientific knowledge. You can have input into the review process by providing written comments to the APIQ Secretariat.

New standards involving other hazards in production may be developed over time and these documents will be published as draft documents for comment by industry. We must make sure that these standards are appropriate and required by the industry. These drafts will not become standards for industry until they are approved at a Pork Council of Australia conference.



## STAGE 2 IMPLEMENT AND CERTIFY A HACCP PLAN

Stage 2 involves the implementation of a full HACCP system and certification by a second-party audit. In this way customers can begin to recognise that pork products are meeting certain quality specifications.

To facilitate the process of implementing HACCP, a self-paced HACCP training program has been developed. The HACCP training program is a modular package which will be supported by trained facilitators in the field. These facilitators will be able to conduct second-party audits of HACCP plans. A list of facilitators will be available from the APIQ Program Secretariat.

Once you have undergone a successful second-party audit, you will be given a certificate with your registration number. The certification requirements will be based on acceptable endorsement of an operational HACCP system used to maintain the Pork Industry Quality Standards.

The Pork Council of Australia, the Pig Research and Development Corporation, and the Australian Pig Corporation encourage the formation of groups with a common goal focused on implementing HACCP plans. These groups should be able to:

- provide cost savings for implementation of the quality system;
- become support groups throughout the implementation process;
- enable facilitators to focus resources when working with the group using the industry's HACCP training package; and
- enable initial audit costs to be kept to a minimum for the group.

### **PRDC Support**

PRDC will provide support to groups of producers. Application forms and guidelines are available from the APIQ Secretariat. To qualify for a quality assurance group award you need to be a recognised group, meet with a facilitator, train in HACCP, make a financial contribution to the process, and have as an objective the development, implementation and auditing of farm HACCP plans.

# STAGE 3 UPGRADE TO QUALITY ASSURANCE

Stage 3 takes industry members to HACCP-based quality assurance.

It is recommended that producers and livestock transport operators use the Safe Quality Food 2000 commercial quality system as a minimum standard. ISO accreditation is also acceptable. The Safe Quality Food 2000 quality assurance system will provide the opportunity for a producer and livestock transporter to develop a quality system in stages by being certified for individual hazards. Alternatively a producer may wish to progress directly to a whole farm quality system certification under Safe Quality Food 2000.

Producers and transporters can include other hazards and quality parameters in their quality system. However to be accredited under the industry program they must at least include the hazards related to antibiotic residues, meat quality and meat hygiene.

The quality systems will need to be independently audited by a third party accredited to provide this service. Auditing will be based on the industry standards, which currently recognise the following four hazard categories:

- biological;
- 
- chemical;
- 
- physical; and
- 
- quality.

Businesses which are successfully audited against the industry standards will receive a certificate with a registration number and have the right to use the industry logo.

In addition, certification under a quality system such as Safe Quality Food 2000 will entitle the use of a logo.



The Australian Pork Industry Quality Program logo

## **HOW DO I PARTICIPATE?**

Work with the standards for six months before committing to Stage 2. The standards will help you develop data which will help when using the HACCP training package in Stage 2.

Register your compliance with the standards using the Statutory Declaration provided in the standards booklet. Send this to the APIQ Program Secretariat.

Make sure you check the appropriate box regarding the information you will allow to be made public. This information will be available for public scrutiny and will identify those people actively participating in the APIQ Program.

Registration will also put you in contact with other people in your area who are involved in the industry program. These contacts will be the start of network groups which will provide the opportunity of peer support and cost reductions for training and audits.

Once you have registered, the APIQ Secretariat will send you a letter of recognition for achievement in Stage 1.

## **NETWORKING**

Small and medium-sized operators may need to network during HACCP and quality assurance implementation. The APIQ Program Secretariat will maintain a database which provides the opportunity for individuals to identify others in their region who are also involved with the quality program.

At any time after registration a phone call to the APIQ Program Coordinator should provide you with a list of contacts in your area. You can then start forming a network which will be more fully developed as you progress through Stage 2 of the quality program.

The HACCP training package in Stage 2 will identify when to call upon the services of a trained facilitator. The facilitator will help coordinate the network and organise its operation. A list of the facilitators will be available from the APIQ Program Coordinator and will be published regularly in industry publications.

APIQ Program Coordinator is Ms Natalie Mison, c/- Pork Council of Australia, PO Box 4410, Kingston, ACT 2604. Phone (02)6273 5333, fax (02)6273 5022.

## **ESTIMATED COSTS TO BUSINESS**

While there are no fees for Stage 1, the costs to reach stage 2 will depend on:

- the arrangements made with individual facilitators;
- the travel involved;
- the group size;
- the pace at which the group and business moves towards implementation of the HACCP plan;
- the level of facilitator involvement on the farm or in the business;
- the amount of work done by staff towards development and implementation of the farm HACCP plan; and
- the level of support sought from outside agencies such as PRDC.

The HACCP Training Manual will cost less than \$100.

It is recommended that businesses network, select a facilitator and negotiate a strategy and a price to reach Stage 2 of the program.

Implementation and certification of the business HACCP plan will be an annual event. The frequency of third-party audits is likely to be one or two times each year.

## CONTACT POINTS IN EACH STATE

The contact details of the members of the pilot sites in each state are provided here for your information and future use. Those people involved with abattoirs (Ab) and transport (Tr) have been identified.

### New south Wales

<b>Name</b>	<b>Phone</b>	<b>fax</b>	<b>Mobile</b>	<b>City</b>
Bradley, Alan	(02) 6033 1200	(02) 6033 3003		Corowa
Cartwright, Peter	(02) 6978 0115	(02) 6978 0125		Temora
Cooke, David	(02) 6383 4206	(02) 6383 4222		Young
Cummins, Richard	(02) 6382 3211	(02) 6382 4389		Young (Ab)
Forbut,Rod	(02) 6382 3118	(02) 6382 3118		Young (Tr)
Herbert, Alastair	(02) 6033 1200	(02) 6033 3003		Corowa (Ab)
Hitchens, Robert	(02) 6956 2288	(02) 6956 2288	(015) 481 822	Grong Grong
Kelly, Kevin	(02) 6033 1200	(02) 6033 3003		Corowa
Patterson, Robert	(02) 6942 3666	(02) 6942 3778		Cootamundra

### Victoria

<b>Name</b>	<b>Phone</b>	<b>Fax</b>	<b>Mobile</b>	<b>City</b>
Charles, Melville	(03) 5343 2344	(03) 5343 2443		Windemere
Griffths, David	(03) 5348 3601	(03) 5348 3740		Daylesford (Ab)
Hayman, Richard	(03) 5456 7009		(015) 844 732	Leitchville
Prendergast, Mark	(03) 5333 4393	(03) 5332 8065	(018) 337 274	Ballarat (Tr)
Smith, Tom	(03) 5455 1233	(03) 5455 1257		Pyramid Hill

### Queensland

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Hepworth, Alison	(076) 931 818			
Hindmarsh, Geoff	(07) 3202 1748	(07) 3202 1748		Ipswich
Hudson, Alan	(076) 308 121	(076) 308 638		Highfields
Lahm, Matt piggery	(076) 764 144	(076) 764 124		Lundavar
Mogridge, Gary	(076) 951 499	(076) 951 634		Millmerran
Peebles, Mark	(076) 951 763	(076) 951 763		
Playsted, Bruce	(076) 612 922	(076) 615 558		Warwick (Tr)
Reiser, David	(076) 611 599	(076) 611 928		Canning Vale
	(076) 673 877	(076) 673 886		Warwick
	(07) 3399 2175	(07) 3399 6637		Cannon Hill (Ab)

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## CONTACT POINTS IN EACH STATE *CONTINUED*

### Western Australia

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Bradshaw,Jenni	(08)98258268	(08)9825 1047		Tamworth
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### South Australia

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Davis,Jim	(08) 535 8239			Murray Bridge
Guadignan, Dean	(08) 532 5946			Murray Bridge
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Miller, Sara and Lester	(08) 569 3047	(08) 569 3037		Palmer

### Australian Pork Industry (Quality Program Secretariat)

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### Industry facilitators

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