



Australian Government
Department of Agriculture,
Fisheries and Forestry

Managing the health and safety of pet food in Australia

2021 report of the pet food review working group



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Department of Agriculture, Fisheries and Forestry

GPO Box 858 Canberra ACT 2601

Telephone 1800 900 090

Web agriculture.gov.au

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Acknowledgement of Country

We acknowledge the continuous connection of First Nations Traditional Owners and Custodians to the lands, seas and waters of Australia. We recognise their care for and cultivation of Country. We pay respect to Elders past and present, and recognise their knowledge and contribution to the productivity, innovation and sustainability of Australia's agriculture, fisheries and forestry industries.

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Summary

The pet food review working group was established in 2018 following reports that over 100 dogs fed the same brand of dry dog food had developed megaesophagus, a serious and in many cases untreatable disease. At the same time a Senate inquiry on the regulatory approaches to ensure the safety of pet food was announced. The working group was put on hold until the release of the Senate inquiry report so it could include the Senate report recommendations in its terms of reference. To support the review, the working group engaged two consultants to develop reports on pet food safety and pet food regulation respectively.

A previous review of the safety of manufactured pet food in 2012 concluded that with the implementation of a Quality Assurance accreditation program by the Pet Food Industry Association of Australia (PFIAA), the development of the *Australian Standard for the manufacturing and marketing of pet food* (AS5812) and the establishment of the Pet Food Adverse Event System of Tracking (PetFAST) in 2011, there was no justification for new official oversight of pet food at that time.

The pet food review working group was asked to review the health and safety of the current pet food system while considering the recommendations of the Senate inquiry. The group discussed a range of options, both regulatory and non-regulatory that are provided in this report. In addition, ABARES updated their 2012 report which also includes a range of regulatory and non-regulatory options however it was only made available to the working group during finalisation of this report.

During the tenure of the working group a number of the non-regulatory options were addressed by the Australian Veterinary Association (AVA), PFIAA and RSPCA. The AVA has increased promotion to veterinarians and there has been increased promotion of AS5812 and PetFAST via the PFIAA and RSPCA websites and social media.

Working group members representing the RSPCA, AVA, PFIAA, did not agree with continuing self-regulation and strongly supported mandating compliance with a revised AS5812. All members of the working group recognised the lack of product recall triggers and processes is a fundamental gap in the pet food sector.

A regulatory model could be established at the jurisdictional level or nationally, however, any system that mandates compliance with AS5812 would require independent auditing and certification by a recognised authority and provision of the power to enforce a recall. For ultimate success, such a regulatory model would need to be implemented and applied consistently across all states and territories and include imported pet food. Currently the responsibility for the domestic oversight of processed pet food and raw pet meat sits with the states and territories while the Commonwealth has responsibility for imported pet food. This means if a regulatory model is established at a jurisdictional level, changes would need to be made to Commonwealth legislation to regulate imported pet food. Exclusion of imported pet food from any system governing pet food would result in a distorted market with regulated, domestically produced pet food competing with cheaper and potentially non-regulated imported pet food.

The group considered the establishment of a national coordinating body to develop and manage pet food standard(s) as recommended by the Senate inquiry. It was noted that options for this model are likely to have a high regulatory burden and would take time to implement. The positions of Food Standards Australia New Zealand (FSANZ) and the Australian Competition and Consumer Commission (ACCC) remain that amending their regulatory systems to include pet food is not possible under their current legal frameworks.

This report will be provided to the agriculture senior officials committee and then state and territory agriculture ministers for a decision on the best way forward to manage the health and safety of pet food in Australia.

1 Background

In May 2018, following reports that over 100 dogs fed the same brand of dry dog food had developed megaoesophagus, a serious, often untreatable disease, the then Minister for Agriculture and Water Resources, the Hon. David Littleproud MP, wrote to state and territory ministers seeking their support for a review of the safety and regulation of pet food. In June 2018, shortly after the ministers agreed to establish the pet food review working group, a Senate inquiry on the regulatory approaches to ensure the safety of pet food was announced.

In light of the announcement of the senate inquiry, the work of the review group was put on hold until after the release of the report of the Senate inquiry on 16 October 2018. The pet food review group (the working group as referred to by the Senate) was reactivated and the first meeting held on 6 December 2018.

Senate inquiry

The Senate inquiry was established to consider possible regulatory approaches to ensure the safety of pet food, with particular reference to:

- the uptake, compliance and efficacy of the *Australian Standard for the Manufacturing and Marketing of Pet Food (AS5812)*
- the labelling and nutritional requirements for domestically manufactured pet food
- the management, efficacy and promotion of the Australian Veterinary Association (AVA) and PFIAA administered PetFAST tracking system
- the feasibility of an independent body to regulate pet food standards, or an extension of the remit of Food Standards Australia New Zealand (FSANZ)
- the voluntary and/or mandatory recall framework for pet food products
- the interaction of state, territory and federal legislation
- comparisons with international approaches to the regulation of pet food.

The Senate inquiry report contains 7 recommendations with specific reference to the working group. A summary of the working group's responses to the recommendations is provided in [Appendix A](#) of this report.

Previous review

In May 2009, following a series of pet food incidents, a pet food controls working group was established at the request of the Primary Industries Ministerial Council, to consider mechanisms to manage the safety of imported and domestically produced pet food, including safety and incident management such as recalls. Soon after the working group was convened, the PFIAA updated its Code of Practice for the Manufacturing and Marketing of Pet Food into an Australian Standard (AS5812) through the Standards Australia review process.

After reviewing the pet food incidents and assessing the controls in place (official and industry based), the working group decided that at the time of the pet food incidents, additional controls

would have been unlikely to have prevented them from happening, however, they may have reduced the scale and impact of the incidents. To help identify adverse incidents associated with pet food, the AVA and the PFIAA developed the Pet Food Adverse Event System of Tracking (PetFAST) – a system for veterinarians to report concerns about illnesses in pets that they suspect to be associated with pet food.

The previous working group decided that it wasn't necessary to mandate recalls of pet food. This decision was based on the advice of FSANZ and the view that the provisions for product identification, tracing and recall contained in both AS5812 and the *Primary Industries Standing Committee Technical Report 88 - Standard for the Hygienic Production of Pet Meat* (PISC 88) would be sufficient to manage incidents.

ABARES was asked to undertake an economic assessment of options for managing the safety of pet food. The regulatory options considered were self-regulation, co-regulation and comprehensive regulation. The ABARES Report *Pet Food Safety in Australia: Economic Assessment of Policy Options* was released in 2012 and determined that self-regulation was still the best option from an economic view point.

The group's report *Managing the Safety of Domestically Produced Pet Meat and Imported and Domestically Produced Pet Food* was released in January 2012. The report concluded that with the implementation of the PFIAA's Quality Assurance accreditation program, the development of AS5812 and the establishment of PetFAST, there was no justification at that time for new official oversight.

Important issues identified by the group included the uptake and compliance with the new voluntary standard (AS5812) and the management and operations of the new AVA-PFIAA PetFAST tracking system. It was recommended that the success of these should be independently reviewed in 3-5 years. The current review began in 2018.

2 The pet food review group

The terms of reference of the pet food review group (working group) were:

- 1) To review the safety and regulation of pet food in Australia
- 2) Consider the senate inquiry report and findings and provide advice to the Agriculture Senior Officials' Committee (AGSOC) on any proposed regulatory or non-regulatory changes that the group considers necessary to improve regulation of pet food.

The working group was chaired by the then Department of Agriculture (now Department of Agriculture, Water and the Environment) and consisted of representatives from:

- Australian Department of Agriculture, Water and the Environment (DAWE)
- Australian Veterinary Association (AVA)
- The Royal Society for the Prevention of Cruelty to Animals (RSPCA)
- Pet Food Industry Association of Australia (PFIAA)
- New South Wales Department of Primary Industry (DPI)
- Safe Food Production Queensland (SFPQ)
- Food Standards Australia New Zealand (FSANZ)
- Animal Health Committee (AHC) represented by Victoria
- Australian Competition and Consumer Commission (ACCC) (as an observer to provide input on Australian Consumer Law and ACCC matters)
- Australian Department of Health
- Australian Department of Industry, Science, Energy and Resources.

The AVA is a member-based organisation with approximately 50% of registered veterinarians as members.

The PFIAA is a member-based organisation with 28 food producing members and 17 marketing members (importers/co-manufacturers). PFIAA members provide around 80% of packaged, commercial pet foods in Australia.

The working group met 10 times by teleconference between December 2018 and December 2020 and also corresponded by email.

To support the review, the working group engaged two consultants to develop reports on pet food safety and pet food regulation respectively. Copies of the reports are available by contacting petfoodreview@agriculture.gov.au.

The working group asked ABARES to update its 2012 report Pet food safety in Australia: economic assessment of policy options, taking into account changes in the size and structure of the pet food industry, the introduction of AS5812 and the effectiveness of the PetFAST system.

In May 2020, the working group decided to appoint a sub-group to discuss in more detail the regulatory and non-regulatory options that had emerged from working group discussions. The sub-group members consisted of:

- AHC
- AVA
- DAWE
- NSW DPI
- PFIAA
- SFPQ

The sub-group met twice—in May and July 2020—and discussed AS5812, PetFAST, communication and education, examples of light-touch regulation in other areas and the establishment of a site for consumers to lodge complaints about pet food.

The deliberations and decision making capacity of the working group was affected by the lack of publicly available, verifiable data on pet food incidents. The updated ABARES report was only made available to working group members during finalisation of this report.

3 The current situation

Over the past few years, there has been a significant increase in the number of pet dogs and cats in Australian households, and an associated increased spending on pets, including pet food (IBISWorld 2020). In 2021, 69% of households in Australia owned at least one pet (Animal Medicines Australia 2021).

The wholesale value of the pet food industry is expected to increase to \$2.6 billion by 2021, with three large companies accounting for more than 60% of industry revenue. Small and medium sized producers make up the rest of the industry, targeting niche areas such as food for specific animals and gourmet pet food. The increasing trend to purchase pet food online has allowed many of these smaller producers to expand their market range

In 2019, pet owners spent \$13.1 billion on pet products and services of which \$3.6 billion was spent on pet food. While most of this pet food is produced in Australia, imports have been growing steadily in recent years with significant growth in low-priced pet food imports from Asia. Three large companies, each with accreditation to AS5812, account for around 64% of domestic pet food production while imports account for 19.1% of pet food sold in Australia. Manufactured pet food products and pet treats make up around 75% of pet food sales and the remaining 25% is spent on pet meat and human-grade food.

3.1 Australian Standard for the Manufacturing and Marketing of pet food (AS5812)

AS5812 is a technical document which sets out specific requirements for the production and supply of pet food, including the sourcing, receipt and storage of ingredients, additives and preservatives, processing, heat treatment, labelling, and recall for imported and locally produced complete pet foods, pet meat and treats for cats and dogs. This is a voluntary Australian Standard, first published in 2011, reviewed and updated in 2017 with another review planned for 2021. This standard was developed from the industry's Code of Practice and is used by the Australian Government to provide certification for exported pet food.

Until recently there has been little promotion of AS5812 and many people are unaware that it exists, or of the value of compliance with AS5812. Since 2019-20, however, the PFIAA and RSPCA websites were updated with informative articles on AS5812, understanding labelling and information on feeding pets.

3.2 Pet Food Adverse Event System of Tracking (PetFAST)

PetFAST was developed as a system for veterinarians to report concerns about illnesses in pets that they suspected were associated with pet food. Since it was established, it has been run on a volunteer basis by two veterinarians, with in kind support from the AVA and the PFIAA. The PFIAA passes on reports of incidents they receive from consumers and since 2018 the PFIAA has maintained a database on the number and type of PetFAST reports.

PetFAST is not well known by veterinarians or consumers and this issue was discussed by the working group with all members agreeing with the need to promote it to both veterinarians and consumers. Recently the AVA, RSPCA and the PFIAA have increased efforts to promote PetFAST with inclusion in veterinary newsletters and articles on their websites.

Increased concern about pet food incidents in Australia led to the establishment of a Senate inquiry on the regulatory approaches to ensure the safety of pet food and calls from key stakeholders for a range of changes including making AS5812 mandatory, improved labelling requirements and product recall management.

3.3 Communication and education

During the time the working group was active and discussing the value of consumer education, the AVA, PFIAA and RSPCA increased their reach in the community by implementing a range of communication techniques including newsletters, website articles, Facebook and Instagram.

The AVA has increased promotion to their member veterinarians and there has been increased promotion of AS5812 and PetFAST on the PFIAA and RSPCA websites and via social media. Up to October 2020, the PFIAA website had 3500 unique visits per month and 7000 page views, many of which were visits to pages on AS5812, PetFAST, labelling and information on pet food issues. PFIAA have increased their reach to consumers via Facebook and Instagram and by paying for ads, resulting in engagement with around 60,000 users. Some of the advertisements were linked to pet food regulation articles on the PFIAA website.

The RSPCA has been working with PFIAA and the AVA to increase consumer reach and to provide accurate messaging by including information on its website about AS5812 and PetFAST, and where to go to report a pet food issue ([RSPCA Knowledgebase](#)). The RSPCA also uses social media to communicate to consumers and highlight articles posted on their website. The RSPCA has approximately 280,000 Facebook followers and 29,200 Instagram followers.

The AVA website contains information on PetFAST, however, it is not easy to find as people have to know that PetFAST exists and then search for it. The AVA is developing a social media strategy that will be a useful mode of communication.

3.4 Pet food incidents between 2012 and 2021

Between 2012 and 2021 there were a number of incidents relating to pet food reported to the PetFAST system, to PFIAA and in the media. These include:

- 1) Neurological and gastrointestinal signs and effusive disease in cats that had eaten Weruva Best Feline Friend tinned cat food early to mid-2017. This product is manufactured in Thailand for the parent company based in the USA and was voluntarily recalled by the sole Australian retailer of this product following reports of neurological disease in cats. Tests revealed low levels of thiamine in the food and high levels of mercury in blood and hair of cats. The cause of the signs was never determined.
- 3) Vomiting and diarrhoea was reported in 2018 in dogs that had eaten Baxters dry dog food. The production records were reviewed and samples of Baxters dog food tested but no issue was identified and no recall or public notification occurred.

- 4) Pieces of plastic and mould reported in Applaws dry dog food in 2018. The company identified manufacturing issues including inadequate drying of the food and sheep ear tags in the production process. No recall or public notification occurred.
- 5) Marked increase in megaesophagus cases in dogs. All of the dogs were fed Advance Dermocare dry dog food which is compliant with AS5812 and manufactured in Australia. Extensive testing of the food failed to identify any specific toxins, nutritional excesses or deficiencies. A case-control study carried out by the University of Melbourne determined that the cases of megaesophagus were associated with Advance Dermocare. The first cases were identified in December 2017 in a group of police dogs. The manufacturer (a PFIAA member) initiated a recall after two more cases of megaesophagus were reported in a separate facility in March 2018. Over 100 cases of megaesophagus were diagnosed in dogs.
- 6) Elevated vitamin D levels were identified in some types of Hill’s canned dog food in February 2019 following a complaint about a dog exhibiting signs of vitamin D toxicity after eating the food. Hill’s Pet Nutrition tested the product and confirmed that it contained high levels of vitamin D. They voluntarily recalled the food and then expanded the recall after testing a range of their products. The elevated levels of Vitamin D were caused by a faulty vitamin premix used in the food.
- 7) Mould was identified in batches of Black Hawk dry dog food in January 2020. When notified about this, Black Hawk immediately instituted a voluntary recall of affected food.
- 8) Cases of megaesophagus in dogs were linked to the consumption of Veganpet dry dog food in October 2020. The company (not a PFIAA member) instituted a voluntary recall of the suspect batch of dry food however cases continued to be reported. No agreement could be reached between the manufacturer and PFIAA to enable further investigation.
- 9) Cases of acute hepatopathy in at least 68 dogs fed raw pet meat, with 26 deaths. Testing of the meat identified the toxin indospicine, which occurs naturally in native plants and accumulates in the tissues of grazing animals. Dogs are highly susceptible to this toxin.

Incidents 7 and 8 occurred after the last meeting of the working group so were not considered in their discussions. More detail is provided in Table 1.

Table 1 Pet food incidents reported 2012-2021

| Incident | Date | Was there a voluntary recall? | Estimated Number pets affected/ reported | Compliant with AS5812 or an overseas standard |
|---|----------|-------------------------------|--|--|
| Whiskas dry cat food - plastic contamination | Sep 2013 | Yes | Unknown | Compliant with AS5812 |
| Woolworths – wholegrain dry dog biscuits –twine contamination | 2014 | Yes | Unknown | Woolworths own brand pet food - is compliant with AS5812 |
| Ultimates cat food - Vitamin D toxicity | 2015 | No | 2 cats | Manufacturer is compliant with AS5812 |

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| Incident | Date | Was there a voluntary recall? | Estimated Number pets affected/ reported | Compliant with AS5812 or an overseas standard |
|---|-----------|--|---|--|
| Best Feline Friend – multifactorial cause including mercury toxicity and low thiamine | 2017 | Recalled through the retailer, not the manufacturer. | Estimated 1000-3000 cats were affected, at least 20 of which died. | Compliant with the British Retail Consortium Standards |
| Advance Dermocare-Megaesophagus | Mar 2018 | Yes | 100 plus | Compliant with AS5812 |
| Applaws dry food – mould | May 2018 | No | 20 complaints of mould in food. 2 dogs became unwell. | Compliant with the British Retail Consortium Stds |
| Baxters- Vomiting and diarrhoea, unknown cause | May 2018 | No | Unknown | Woolworths own brand pet food – is AS5812 compliant |
| Royal Canin dry dog food - liver toxicity | Sep 2018 | No | Illness reported in 2 dogs but link to Royal Canin food not proved. | Compliant with FEDIAF ¹ |
| Black Hawk grain free salmon – diarrhoea | Nov 2018 | Yes | 2 enquiries received | Manufacturer is compliant with AS5812 |
| Hill's Pet Nutrition - excess vitamin D | Feb 2019 | Yes | One PetFAST report, huge numbers globally, limited supply in Australia | Compliant with AAFCO ² |
| Raw pet meat | Feb 2019 | - | 19 cats died, other cats aborted | Not AS5812 compliant |
| My Dog Beef and Liver - plastic contamination | May 2019 | Yes | No PetFAST reports received | Compliant with AS5812 |
| Black Hawk - mould in dry large breed dog food | Jan 2020 | Yes | One PetFAST report | Marketing Member of PFIAA co-manufacturer certified to AS5812 |
| Dried dog treat products – proximal renal tubulopathy | 2012-2020 | Rarely | 100+ PetFAST reports, likely many more unreported | Most pet treats are not compliant with AS5812 |
| Ivory coat grain free dry dog food – diarrhoea, vomiting | Sep 2020 | No | 2 complaints received; no PetFAST reports lodged | Manufacturer listed as PFIAA member; production site is AS5812 certified |
| Veganpet dry dog food – regurgitating, concern about megaesophagus | Nov 2020 | Yes | 20+ PetFAST reports, more dogs affected | Formula owned by Veganpet (not AS5812 certified); the manufacturer is AS5812 compliant |
| Raw pet meat – acute hepatopathy - toxin identified as indospicine which is present in some native plants | July 2021 | Yes, only by retailers, not the manufacturer | 9 PetFAST reports 68 dogs affected, 26 deaths. Public asked to report directly to Agriculture Victoria. | No – raw meat processed by a pet food knacker |

¹FEDIAF is the European Pet Food Federation. ²AAFCO is the Association of American Feed Control Officials.

3.4.1 Legal issues and intimidation

Veterinarians involved in responding to and investigating pet food incidents, have received verbal and written legal threats from lawyers engaged by the pet food manufacturer. Some legal threats may just be intimidation tactics aimed at preventing further discussions about pet food incidents due to the recipient's fear of legal repercussions. However, legal action has been taken by a pet food manufacturer against an Australian veterinary practice that reported pet food incidents to PetFAST so all legal threats have to be assumed to be valid unless proven otherwise.

The potential for legal action will likely limit veterinarian reporting of incidents to PetFAST and could affect the investigation and reporting by any veterinarians involved in PetFAST.

4 Regulation

This section provides an overview of regulation, what is required to change or introduce new legislation and the application of consumer law.

4.1 Types of regulation

Regulation is any rule endorsed by government where there is an expectation of compliance. This includes legislation, regulations, quasi-regulations and any other aspect of regulator behaviour which can influence or compel specific behaviour by business, community organisations or individuals.

Modern regulatory frameworks are outcomes focussed. This enables the regulated entities to demonstrate equivalence with requirements.

- 1) Direct government regulation comprises primary and subordinate legislation and is the most commonly used form of regulation. For example, the classification of publications, films and computer games is covered by the Classification Act (Cth).
- 10) Co-regulation typically refers to situations where industry develops and administers its own arrangements, but government provides legislative backing so the arrangements can be enforced. For example, commercial television code of practice sits under an Act and is regulated by an Australian Communications and Media Authority. If this form of regulation is chosen for pet food there will have to be a government means of adopting and enforcing AS5812. An example of guidelines that have been regulated into law in states and territories are the [Land transport of livestock-Australian animal welfare standards and guidelines](#).
- 11) Self-regulation is generally characterised by industry-formulated rules and codes of conduct, with industry solely responsible for enforcement. For example, the Australian Association of National Advertisers established a Code of Ethics and an independent Advertising Standards Board hears complaints.

4.2 Terms associated with regulation

Act (also primary legislation/law)

An Act is legislation passed by Parliament. Acts set out broad legal and policy principles. An Act specifies offences and powers for enforcement. It states who may enforce or make decisions about the provisions of the Act.

The first step in creating an Act is preparing a Bill (draft Act). This can take considerable time; it includes stakeholder consultation and a regulatory impact statement. After the Bill is introduced into Parliament, a Parliamentary Committee examines the Bill. Then Parliament debates issues about the Bill and votes for it to become an Act.

An Act commences once it has received Royal Assent from the Queen through her representative, the Governor General. An Act may be completely new or may amend another Act. An Act can only be amended or repealed by another Act.

Regulations (also subordinate legislation/law)

The power to make Regulations is contained in Acts. It is delegated by Parliament to the Governor-in-Council, which is the Governor acting with the advice of the Executive Council (Ministers).

Regulations generally contain technical information and specific requirements for meeting the Act. Provisions contained in Regulation are mandatory and have penalties for non-compliance.

Code of Practice

A Code of Practice provides detailed information about how to meet requirements of an Act or Regulation in relation to a particular industry or activity. Codes of Practice may be mandatory or voluntary; the status of a particular Code of Practice is specified in the legislation that adopts or refers to it.

Standards in Australia

Standards set out specifications and design procedures to ensure products and services perform safely, reliably and the way they're intended to. There are two types of standards, mandatory and voluntary.

Mandatory standards are called up under legislation and the manufacturer must be able to demonstrate compliance with the standard or demonstrate they have achieved outcomes equivalent to those in the standard. These are developed in conjunction with public and industry consultation. There are two types of mandatory product standards:

- Safety standards – require goods to comply with particular performance, composition, contents, methods of manufacture or processing, design, construction, finish or packaging rules.
- Information standards – require prescribed information such as labelling with clear instructions and warnings against possible misuse, ensuring that consumers are provided with important information about a product to help them make a purchasing decision. They don't necessarily relate to the safety aspects of a product. For example, they may cover ingredient labelling for cosmetics or care labelling for clothing and textiles.

Voluntary standards generally represent best practice and don't have any legal requirements. These standards are developed by non-government bodies such as Standards Australia and the International Organization for Standardization (ISO).

Regulatory Impact Statement (RIS)

A RIS is a produced by a government or its agencies as part of the policy making process when a decision is likely to have a regulatory impact on business, community organisations or individuals. More detail on producing a RIS is provided in [Section 4.2.3](#).

4.2.1 Changing legislation

The process to change primary legislation is extensive and costly. It requires preparation of a policy proposal, stakeholder engagement, preparation of a submission to parliament advocating for the preparation of a bill to make a new law and then 1st and 2nd reading of the bill (including legal drafting) followed by assenting to law if successful. Depending on the jurisdiction, the bill may need to be heard in 1 or 2 houses of Parliament in order to be legally made.

Changing sub-ordinate regulation is also costly but avoids parliamentary debate, however regulations must sit on the floor of parliament for 2 weeks following making and are subject to disallowance motions. If successful, these motions strike down the entire regulation and is a safeguard on the appropriate use of regulation as a sub-ordinate legal tool to primary legislation. Regulations can only be made for matters defined in primary legislation as appropriate for the making of regulations. If a regulation making power is not provided in the appropriate primary legislation it cannot be legally made. If the regulation making power has a limited scope, the regulation can only cover matters in that scope.

4.2.2 New primary or subordinate legislation

The process of creating new legislation is also extensive and costly and it may take years for a bill to pass through parliament. The process is similar to changing legislation except that a new bill must be developed and then it can only become a law if it is agreed to in identical form by a majority vote in both the Senate and the House of Representatives (the exception is Queensland where there is no upper house). There are 3 readings in both houses with the option to establish a public enquiry into the bill.

Steps to create and implement legislation and develop relevant policy:

- a) Identify the problem.
- b) Demonstrate that existing market forces have failed to successfully manage the problem and market failure has occurred.
- c) Design a regulatory scheme — this includes producing a RIS and developing regulatory instruments.
- d) Finalise and gazette the regulation and provisions.
- e) Establish preventive compliance management systems and regulatory monitoring systems that include licensing, registration, accreditation, audit and inspection.
- f) Develop administrative resources to manage the new systems and education resources for the industry and public.

4.2.3 Producing a RIS

When a change in regulation is proposed there is a set process that must be followed. This includes producing a RIS. The purpose of a RIS is to assess the potential impact of the proposed regulation (for example making the pet food standard mandatory) on businesses, community organisations and individuals.

Producing a RIS is an extensive process, and it must be supported by a cost benefit analysis where the solution (regulation) must be shown to deliver greater net benefit than the cost it imposes on the regulated stakeholders.

There are 7 questions that must be answered when developing a RIS:

- 1) What is the policy problem we are trying to solve?
- 2) Why is government action needed?
- 3) What policy options are we considering?

- 14) What is the likely net benefit of each option?
- 15) Who did we consult and how did we incorporate their feedback?
- 16) What is the best option from those we have considered?
- 17) How will we implement and evaluate our chosen option?

Once written, a RIS is reviewed by the Office of Best Practice Regulation (OBPR) and any recommended changes made before providing it for public comment. To ensure transparency the final RIS, certification letters and OBPR's assessment is published on the OBPR website.

4.3 Australian Consumer Law

In a recent report, Givoni (2019) reviewed how pet food is regulated under Australian Consumer Law (Schedule 2 of the *Competition and Consumer Act 2010(Cth)*). The review concluded that pet food could be considered a 'consumer good' under the legislation and that people purchasing pet food are considered consumers.

Consumer rights

The Australian Consumer Law (ACL) provides a basic set of consumer guarantees (or rights) for consumers who acquire goods. One of these is the guarantee of acceptable quality, meaning goods are safe, durable and free from defects, acceptable in appearance and finish, and do everything that they are commonly used for. If a product, including pet food, hasn't lived up to the claims of the manufacturer consumers are entitled to a remedy which can include a refund, repair or replacement.

The ACL is administered by the ACCC at a Commonwealth level and by consumer protection agencies in each state and territory. If consumers believe their consumer guarantees have not been met and they are unable to resolve the problem with the supplier, state and territory consumer protection agencies can provide consumers with informal dispute resolution services. The ACCC can provide information regarding consumer rights, obligations and possible courses of action a consumer may take.

Recalls

If a consumer good will or may cause injury to a 'person', it may need to be recalled. Most recalls of consumer goods under the ACL are voluntary recalls initiated by the supplier. In some cases, where consumer goods will or may cause injury to a 'person' and one or more suppliers has not taken satisfactory action to prevent those goods causing injury to a 'person', the ACCC can recommend that the responsible Commonwealth Minister issue a compulsory recall.

Both voluntary and compulsory recalls carry obligations for suppliers. A supplier's legal obligations with respect to voluntary recalls are limited to notifying the Commonwealth Minister within 2 days of taking action to voluntarily recall a consumer good.

A supplier's legal obligations regarding compulsory recalls are determined by the Commonwealth Minister and can include notices being made available to the public to raise awareness of the problem and how to mitigate the risk. The ACCC also publishes information about consumer product safety recalls that present a safety risk to people on their Product Safety Australia website.

The ACCC advised the working group that the current consumer product safety provisions within the ACL, including those relating to recalls, are intended to consider the safety of people, not animals (including pets).

The product safety framework in the ACL:

- contains certain legislative thresholds which require there be an actual or reasonably foreseeable risk of injury, illness or death to natural persons, and
- does not provide specific regulatory powers to implement product safety interventions for pets.

Incidents and recalls of pet products would only be regulated or administered under the product safety provisions of the ACL if the product presented a risk to human health and safety.

4.4 Current state and territory legislation

In Australia, there are legislative rules on how pet meat used as pet food is regulated and each jurisdiction has their own requirements that may be covered by one or more Acts. There are no specific laws covering the manufacture and labelling of pet food, such as dry and canned food for dogs and cats. The legislation in each jurisdiction is summarised in [Table 2](#).

Table 2 State and territory legislation relating to pet meat

| Jurisdiction | Legislation | Description |
|------------------------------|---|---|
| Australian Capital Territory | None | N/A |
| New South Wales | <i>Food Act 2003 (NSW)</i> <i>Food Regulation 2015 (NSW)</i> | The Act sets standards to ensure that material destined for animal feed does not get into the human food chain. Pet meat must be stained blue. Producers must have a Food Authority license. |
| Northern Territory | <i>Meat Industries Act 1996 (NT)</i> <i>Meat Industries Regulations 1997 (NT)</i> | The Act and Regulations cover pet meat – it must be labelled not for human consumption, not sourced from unhealthy animals and not processed in human food premises. |
| Queensland | <i>Food Production (Safety) Act 2000 (Qld)</i> <i>Food Production (Safety) Regulation 2014 (Qld)</i> | The Act sets out the concept of ‘food safety schemes’ including accreditation and auditing. The Regulations require pet meat to be processed so it meets the standards for human consumption. |
| South Australia | <i>Primary Produce (Food Safety Schemes) Act 2004 (SA)</i> | Pet meat can be produced at a lower standard than meat for human consumption. Pet meat producers must be accredited and have food safety schemes. |
| Tasmania | <i>Meat Hygiene Act 1985 (Tas)</i> <i>Meat Hygiene Regulations 2003 (Tas)</i> <i>Tasmanian Code of Practice for Hygienic Production of Pet Food 2003 (Tas)</i> <i>Primary Produce Safety (Pet Food) Regulations 2014</i> | Producers must be licensed and follow pet food safety measures for meat premises. The Code of Practice is mandatory for pet food processors and is referenced in the Meat Hygiene Regulations 2003 (Tas). |
| Victoria | <i>Meat Industry Act 1993 (Vic)</i> <i>Meat Industry Regulations 2015 (Vic)</i> | Producers must be licensed and have a QA program in place. The sale of pet meat from facilities that have not been inspected is banned. Pet meat must be stained and labelled as not for human consumption. |
| Western Australia | <i>Food Act 2008 (WA)</i> <i>Food Regulations 2009 (WA)</i> | Pet meat can be produced at lower standards than meat for human consumption. Pet meat must be heat treated or stained with indelible ink. There are some requirements for labelling, packaging, processing, and sale of pet meat. |

Source: Givoni 2019

5 Options to manage the health and safety of pet food in Australia

This section provides a range of non-regulatory and regulatory options for pet food. It is suggested that a combination of regulatory and non-regulatory options would be most effective to address the gaps in current arrangements.

5.1 Non-regulatory options

The working group supported the exploration of the following non-regulatory options. Some of these options may need to be adjusted, depending on any agreed regulatory option. For example, consumer reporting may need to be managed by the relevant regulatory agencies, rather than a third party.

5.1.1 Communication and education campaigns

Effective communication and education will be an important part of any improved system to manage pet food health and safety but should not be the sole option. It is recommended that the communication and education methods established by the AVA, RSPCA and PFIAA and outlined in Section 3.3 continue.

Other suggestions discussed by the working group include:

- providing information on pet food packaging about compliance with AS5812
- media campaigns (social media, TV, magazines) informing consumers about pet food manufacture and the value of compliance with AS5812
- inclusion of information about PetFAST in newsletters from veterinary registration boards
- inclusion of a question about PetFAST on the yearly veterinary registration form, such as 'Have you heard of PetFAST, the Pet Food Adverse Event System of Tracking?'
- processes to alert veterinarians, for example via emails from state and territory veterinary registration boards, of suspected pet food incidents identified by PetFAST that may then trigger its use by other veterinarians
- development of posters and pamphlets on PetFAST and AS5812 for display in veterinary clinics
- continue promotion of PetFAST on the RSPCA and PFIAA websites and via social media
- improve the AVA website to make PetFAST information readily visible.

Summary

Consumer education is recommended to:

- Increase pet owner's awareness of the importance of pet food safety.
- Encourage uptake of AS5812 by manufacturers and increase consumer awareness of AS5812.
- Increase awareness of and use of PetFAST by veterinarians.

Issues raised when discussing the value of a communication and education campaign include:

- Encouraging people to buy AS5812 compliant pet food will not remove the risk of non-compliant pet food
- Many of the pet food incidents caused by manufactured pet food were due to pet food that is compliant with AS5812.
- There is an assumption by many that PetFAST is for use by AVA members only, however, it is open to use by all veterinarians.
- Methods to reach all veterinarians, not just AVA members need to be developed as only around 50% of registered veterinarians are AVA members.
- Other reasons for veterinarians not using PetFAST (apart from not knowing about it) include time constraints, the generic nature of some of the presenting clinical signs in pets and fear of legal threats from pet food manufacturers.

5.1.2 Enhanced AS5812 certification scheme

PFIAA company members are required to have all their Australian manufacturing sites third-party audited annually to achieve and maintain AS5812 certification. Certified PFIAA members can display a PFIAA tick logo (Figure 1) however very few certified manufacturers display this on pet food packaging or promote the fact that they comply with AS5812. This was discussed by the working group and reasons given for not displaying the tick were that space on pet food packaging is valuable and limited, and the high cost of making label changes.

The PFIAA didn't support expansion of their badge of honour scheme. They expressed concern that promoting AS5812 to consumers via their logo, without mandating AS5812 could result in companies falsely claiming compliance. The PFIAA stopped promoting their logo as some companies who were no longer PFIAA members continued to use the logo. Recently they have introduced new logo policies, including registration of the logo with IP Australia to encourage uptake of the PFIAA logo.

The ACCC noted that if a company was to falsely claim compliance with AS5812, action may be taken against the company by any aggrieved party who shows standing or jurisdiction under the false or misleading provisions of the ACL. This includes any person, organisation or government agency. It was also noted that the ACCC rarely becomes involved in individual consumer or small business disputes and considers all matters in line with their [compliance and enforcement policy and annual priorities](#).

Figure 1 PFIAA Primary (Tick) Logo



Source: PFIAA, [A badge of honour, a sign of integrity](#)

It is recommended that as part of a communication campaign, consideration be given to improving the logo to make it more recognisable as well as more appealing and an indicator of happy, healthy pets. This could be by including images of a dog and cat. The PFIAA disagreed with this proposal stating that the tick is more easily recognisable as an approval of a product, than images of dogs or cats and is used for different purposes that are outlined in AS5812.

An example of a successful certification scheme is the Heart Foundation Tick[®] that was introduced by the Heart Foundation to influence healthy food choices by consumers. It led to manufacturers changing formulations to make products healthier and new, heart tick compliant products were developed and promoted. After 26 years this program was replaced by the Health Star rating system which is a joint government and industry initiative.

5.1.3 A single site for a consumer reporting system

The Senate committee recommended the development of a single site for the public to report pet food incidents. While unresolved complaints about pet food relate to a small proportion of commercial pet food sold in Australia, a system to record and report results of customer complaints would strengthen consumers' ability to make informed choices about which pet food to purchase.

As noted in the Senate inquiry report, consumers have no single location to lodge pet food complaints that are not resolved by the manufacturer or retailer. The Senate committee recommended that the ACCC or FSANZ provide a reporting site for consumers. The ACCC advised the working group it is not the appropriate body to receive pet food safety complaints or pursue any regulatory intervention as the safety of pet food is not covered under the ACL's product safety framework. FSANZ advised the working group that pet food is not covered by their legislation and that it was not included in the scope of the current FSANZ Act review which began in July 2020.

The PFIAA currently accepts and investigates complaints from consumers, and as part of its review of AS5812 is developing a recall process that aligns with that of FSANZ. The PFIAA also works with PetFAST to ensure that complaints they receive about petfood are recorded.

Issues raised when discussing this option include:

- Development of an effective and viable site for reporting must include assessment of, and response to, complaints and will require adequate funding to ensure its success and long-term viability.
- This option may not be cost effective, particularly if it is solely for reporting and action cannot be taken when problems are identified.
- Consumers may lodge false complaints with no evidence of causality.

5.1.4 PetFAST

The working group recommends that PetFAST continues as part of a comprehensive pet food incident monitoring system however it needs to be promoted, further developed (including the pet food incident database) and funded. It is important to note that PetFAST is a veterinarian-only reporting scheme, available to all veterinarians.

Any improvements to PetFAST will require funding to support the analysis of, and response to, pet food complaints and to ensure that PetFAST is sustainable. The AVA has developed a funding proposal for PetFAST, including recommended outcomes to ensure its long-term success, which is provided at [Appendix B](#).

Recommendations for the improvement of PetFAST:

- 1) Review and update the pet food incident database.
- 18) Develop a sustainable, long term funding model.

Issues raised when discussing this option include:

- Delays in analysing data captured by PetFAST.
- Consumers cannot use this system and must visit their veterinarian who will then decide if a report to PetFAST is warranted.

5.1.5 The Australian Standard for the Manufacturing and Marketing of Pet Food (AS5812)

The working group agreed that AS5812 is a sound standard for the production of pet food; however, they agreed it could be improved and would benefit from the planned Standards Australia review. Discussions around AS5812 focussed on three areas:

- Revising AS5812
- Making AS5812 freely available
- Making AS5812 mandatory

Revising AS5812

The working group supported the revision and update of AS5812. They acknowledged that AS5812 was already under review by PFIAA and an application had been submitted to convene a formal Standards Australia review committee that will consist of a range of experts in the field. The revised version of AS5812 will include development of a product recall system similar to that of FSANZ and

specific requirements for raw pet meat (by incorporation of relevant processes from PISC88, the standard for hygienic processing of pet meat).

As part of the review of AS5812 it will be important to ensure that the final product will be fit for purpose for use as a regulatory instrument. Key examples of what should be included are:

- critical control measures for industry production systems to achieve
- triggers for a product recall
- a clear definition of what is pet food
- what can/can't be used in the production of pet food e.g. exclusion of condemned animal material
- validation of product safety (requirements for time/temp etc)
- compositional requirements of pet food (min protein, min fat etc)
- what is 'safe/unsafe' pet food and how is this measured
- product substitution clearly prohibited.

Some of the recommendations and comments listed below were developed by members of the working group and others have been taken directly from the Senate inquiry report. They will all be provided to the Standards Australia review committee for their consideration and decision. Some of the recommendations have already been actioned by PFIAA as part of their internal review of AS5812.

1) Disclose heat, irradiation and other treatments applied to the pet food product.

Disclosure of irradiation of pet food is already a requirement. All pet food products are required to be manufactured to food safety standards following HACCP guidelines.

19) Perform annual analysis of all products labelled as complete to ensure they meet nutritional requirements.

Currently, validation of the nutritional completeness of a formulation is required. Annual testing of pet food would increase the cost of pet food and unless AS5812 was mandatory, this requirement could act as a disincentive for smaller companies to comply with AS5812.

20) Align wording/label format with human food products to make it easier to understand.

This is already happening as part of the PFIAA review.

21) Define the triggers for product recall, outline the responsibilities of the manufacturer, distributors and retailers in a recall.

The PFIAA review includes aligning the recall process in AS5812 with the FSANZ recall process.

22) Labelling on pet food packaging should include the following:

- a) Minimum percentage of crude protein and fat as well as the maximum percentage of crude fibre and moisture.
- b) Listing of specific ingredients including the source of the animal protein.

- c) Full analysis of the food, including calories.
- d) The life stage the food is designed for.
- e) Requirement that label contents can be clearly read online.
- f) Information on how a complete pet food has been determined as 'complete'- either by trials or by formulation.
- g) Site of manufacture or country of origin and name and address of the manufacturer
- h) A country of origin statement.

Information on labelling, such as use of the Product of Australia logo and country of origin for non-food items can be found on the [ACCC website](#).

Make AS5812 freely available

Standards Australia invests significant resources and time in the development and revision of standards. Its costs are recovered by charging a fee for the relevant standard.

Standards Australia advised the working group that AS5812 could be made available for download at no cost to the public subject to an agreement between Standards Australia and a suitable sponsor. The sponsor would fund the downloads or provision of hard copies of AS5812 to the public. The agreement can be for the full or partial cost and can be to a predetermined total amount. The AS5812 costs \$105 per download or \$117 for a hard copy.

Downloads of AS5812 in the past two years averaged 48 copies per year. The Department of Agriculture, Water and the Environment agreed to sponsor the download of AS5812 for a trial period of 2 years, up to a limit of 100 copies per year to assess whether this addresses transparency concerns and improves compliance and accountability. The effectiveness of this trial will be reviewed after 2 years.

Access must be through Standards Australia, therefore a link to the Standards Australia website will be published on the department's website with information about AS5812 and how to access it.

Make AS5812 mandatory

This is a regulatory option and is covered in [Section 5.2.2](#).

5.2 Regulatory options

A range of options were discussed by the working group. All the options identified by the working group are provided for consideration.

A fundamental issue to consider for any co-regulatory or regulatory system is the need to identify under which regulatory system or portfolio do the regulatory obligations sit. This is followed by determining who is responsible for enforcement, what that would consist of, and how it will be carried out.

5.2.1 Light touch regulatory options

Light touch regulation is a less prescriptive form of regulation, involving government rules that do not forbid actions but instead allows them on the condition that certain procedures are followed or information is supplied. This may be done by the implementation of either binding or non-binding

guidelines. It is important to ensure that those affected by the light touch regulation understand their legal obligations and rights otherwise it may not be effective. The examples of light touch options that were considered by the working group are listed below.

Quality assurance scheme

An example of this is the Standards for Rearing and Layer Farms scheme which is a voluntary quality assurance program. To demonstrate compliance, producers are audited annually by a third-party auditor. Producers must pay the cost of this annual compliance audit. Unannounced audits may occur if a formal complaint has been made to Australian Eggs. Compliance with this scheme is promoted to the consumer as an assurance they are buying good quality eggs.

The proposal for a quality assurance scheme was not supported by some members as it was considered similar to the current self-regulatory model without an economic driver to pressure or encourage pet food companies to comply with AS5812.

Certified trade mark

This enables industry to certify that their products meet a recognised standard/quality. This also provides a legal basis for action if false claims of compliance are made. An example of this is the FODMAP Friendly certified trademark. To use this trademark manufacturers must meet a set of requirements, have their products independently tested to display they meet these requirements and pay an annual licence fee. Any product with the FODMAP Friendly trademark can be randomly audited to check compliance.

5.2.2 Co-regulation

Co-regulation is when industry develops and administers its own arrangement and government provides the supporting legislation. This would be the situation if AS5812 was made mandatory with PFIAA managing the standard and the jurisdictions incorporating it into their legislation.

Manufacturing licensing scheme

The jurisdictions would need to develop and administer a licensing scheme for pet food manufacturers which would include the requirement for regular facility and production/quality assurance audits. The audits could be done by the jurisdictions or more commonly the manufacturer would pay for third party audits to demonstrate their compliance with the license requirements.

Making AS5812 mandatory

The AVA, RSPCA and PFIAA strongly supported making AS5812 mandatory. The working group agreed that it was important that all pet food sold in Australia, including imported pet food, meets the same or equivalent standard.

This could be developed as a co-regulatory option by making compliance with the industry developed standard (AS5812) part of the licensing requirements of pet food manufacturers in each jurisdiction. This would place the responsibility on the state and territory governments however it runs the risk of national inconsistency across jurisdictions. To prevent this occurring, all ministers would have to develop an agreement on how to approach this and deliver the desired outcomes.

If this was agreed, current legislation would need to be updated or new legislation developed by the jurisdictions to incorporate the mandatory standard as well as establishing an authority to manage and enforce compliance.

Commonwealth legislation would need to be developed or amended to apply the standard to imported pet food and enable compliance action to be taken if issues arose with imported pet food. In order to change or introduce new legislation, a case must be made that other options would not deliver the required outcome and that the increase in regulatory burden delivers a benefit that outweighs the cost for the whole community.

The process to make AS5812 mandatory would involve:

- Ensure that AS5812 is ‘fit for purpose’ as a regulatory standard. It must be enforceable as well as outcome focussed (not prescriptive), enabling businesses to demonstrate compliance through achieving an equivalent outcome.
- Completion of a regulation impact statement (RIS).
- State and territory ministerial approval of the RIS.
- Incorporation of the standard into existing legislation, or development of new legislation, by each state and territory.
- Identification of a regulator in each jurisdiction, development of a compliance arrangement including ways to address non-compliance, complaints, false claims, and development of a penalty framework.
- Establishment of agreements between all jurisdictions at the ministerial level to prevent national inconsistency and impediments to movement of pet food across borders, following changes in legislation.

Details on the processes involved in changing and developing new regulations were provided in [Section 4](#).

5.2.3 National regulation and coordination

National regulation would require either the establishment of a new national coordination body to develop and manage pet food standard(s) or the amendment of a current system. In addition, the jurisdictions would have to alter existing legislation or develop new legislation because monitoring, auditing and enforcement would be their responsibility.

The working group discussed the option to amend the *Food Standards Australia New Zealand Act 1991* (FSANZ Act) to include responsibility for pet food standards and labelling requirements, as recommended by the Senate inquiry. Expanding the scope of FSANZ to include regulation of pet food would require significant resources and establishment of expertise which currently does not exist in FSANZ. A review of the FSANZ Act and the associated operations and responsibilities of FSANZ began in July 2020, however, the regulation of pet food was not in scope for that review.

The working group also discussed amending the scope of the Australian Consumer Law (ACL) to include products intended for pets, as recommended by the Senate inquiry. The ACCC informed the

working group that the ACL, in its current form, cannot be applied to pets as it only applies to the safety of humans, see Section 4.3.

The option to develop a new national regulatory body for pet food (similar to FSANZ) was also discussed and it was noted that this model has a high cost and high regulatory burden and would take a long time to implement.

5.3 Cost of regulation

Making AS5812 mandatory would require development and adoption of appropriate legislation, development of a compliance arrangement, including auditing, and means of addressing non-compliance, false claims, complaints and a penalty framework.

The cost of establishing a regulatory regime was estimated to be approximately \$250-\$500,000 per jurisdiction depending on the amount of pet food manufacturing in the jurisdiction. There would also be the ongoing resourcing and costs of running the system.

Establishing a levy on pet food sales

One option put forward by some members of the working group was the application of a levy on the sale of all pet food in Australia. The establishment of a levy is a long and expensive process. To target all pet food it would need to be applied at the point of sale.

The agricultural levy system is a partnership between the Australian Government and industry. Industry has responsibility for deciding if it needs a levy, and sets levy rates and exemptions, as well as how the levy rate should be reviewed, and if an existing levy should be discontinued. The government establishes the legislation to support the collection of the levy from primary producers and allocation of the funds to levy recipient bodies (e.g. research and development corporations) on industry's behalf.

For a levy to be established, it must meet certain requirements under the levies legislation. This includes meeting one of the 5 purposes in the legislation:

- research and development,
- marketing,
- biosecurity activity,
- biosecurity emergency response
- residue testing.

The levy can also only be used for these purposes. Industries that wish to establish a levy are required to submit a proposal to the Minister for Agriculture and Northern Australia, for his consideration and approval. The Minister must be satisfied that the proposal aligns with the 12 levy principles set out in the [Levy Guidelines: How to establish or amend agricultural levies](#). If the Minister agrees to a proposal, it can take 6-12 months, or sometimes longer, for the levy to be legislated. Under the agricultural levies legislation, the administration and compliance related to a levy is cost recovered by the Department of Agriculture, Water and the Environment. Further information on the operation of agriculture levies is available on the Department of Agriculture, Water and the Environment [website](#).

As an alternative to a legislated levy, some industry sectors have established a voluntary levy, which is an industry collected levy (or membership fee). As voluntary levies are not a tax, they are not collected under legislation. Those who choose to pay the levy do so for the benefit of their industry. Furthermore, voluntary levies may commence as soon as practical, i.e. once there is broad industry consultation and acceptance.

Funding

Most of the non-regulatory options would require some level of funding however this would be far less than the cost of the regulatory options. Some costs may be absorbed by the large industry players, however all of industry should be involved wherever possible. Governments would be required to fund establishment and management of any regulatory system.

A range of funding options that were discussed by the group included:

- 1) organisations apply to government for funding
- 2) the AVA PetFAST funding proposal ([Appendix B](#))
- 23) registration of all pet food manufacturing facilities in Australia
- 24) a levy on all pet food sold in Australia

6 Summary of options

The majority view of the working group was that implementation of any non-regulatory options would benefit from being supported by some level of regulatory intervention.

6.1.1 Non-regulatory options

These non-regulatory options may need to be implemented in a staged manner and adjusted based on any regulatory options that are agreed on, particularly if resources are limited.

- 1) Continue to improve communication and education activities promoting the value of compliance with AS5812 and the value and use of PetFAST by veterinarians as a reporting system for pet food incidents.
- 25) Continue promotion of the PFIAA logo which is now registered with IP Australia.
- 26) Consider a single site for consumer reporting of pet food incidents.
- 27) Finalise the review and updating of AS5812, ensuring it is fit to be called into legislation if it is agreed to make it mandatory.
- 28) Improve PetFAST and establish a sustainable funding model.
- 29) Make AS5812 freely available.

6.1.2 Regulatory options

Making the case for introducing regulation can be very challenging and the benefits would need to outweigh the regulatory burden and costs.

The working group noted that the ACCC and FSANZ did not agree with the Senate inquiry recommendations that they take on the responsibility of pet food regulation. It was also noted that the AVA, RSPCA and PFIAA strongly supported nationwide government regulation of pet food.

6.1.3 Light touch regulatory options

- 1) Certified trademark

The development and display of an improved certification mark was supported by some members of the working group. This was not supported by the PFIAA who will continue to use their tick logo.

- 30) Quality assurance scheme

This option is considered by many as no different to what is in place currently. However, if compliance with AS5812 was included as part of a quality assurance scheme, and promoted as beneficial for the consumer, this may be a viable option.

6.1.4 Co-regulation

- 1) Making AS5812 mandatory

The AVA, RSPCA and PFIAA strongly supported making AS5812 mandatory and other members of the group recognised the benefits of a mandatory, rather than a voluntary standard. As part of a co-regulatory system industry would manage the standard while state and territory governments would

require the standard to be used and complied with through legislation. If this system was established, the Commonwealth would need to investigate methods to mandate the standard for imported pet food as discussed in Section 5.2.2. This would require getting legal advice on Commonwealth legislation.

31) Manufacturing licensing scheme

States and territories would need to allocate resources to develop licensing requirements and support the ongoing management of the scheme, including auditing requirements and actions to deal with non-compliance.

6.1.5 National regulation

This option had strong support from the AVA, RSPCA and PFIAA.

The Senate inquiry [report](#) flagged two options for national regulation of pet food via FSANZ or ACCC. The [Australian Government response](#) to the Senate inquiry did not support these options. A further option is the establishment of a new national coordination body to develop and manage pet food standard(s). All options would require among other things, new legislation or amendments to existing legislation and significant resources to establish and implement the new system.

6.1.6 Next steps

This report has been developed to provide information to senior agriculture officials at AGSOC and agriculture ministers at AGMIN to help them decide on the best approach to improve the health and safety of pet food sold in Australia.

7 Appendix A

7.1 Responses to the Senate committee recommendations

The working group considered all 7 recommendations of the Senate committee report and the discussions and views were considered when developing the Government response to the Senate inquiry recommendations. A summary of what was discussed is provided below. The Senate committee report and the Australian Government response can be found on the [Senate committee website](#).

Recommendation 1

The committee recommended that the Australian Standard for the Manufacturing and Marketing of Pet Food (AS5812) be made publicly available on the (then) Department of Agriculture and Water Resources' website.

This was supported by all members of the working group and the department agreed to fund access to AS5812 for a 2-year trial period to assess whether free access to the standard promotes consumer awareness. Information on the standard and a link to where it can be downloaded will be placed on the department's website.

Recommendation 2

This recommendation includes amending the *Food Standards Australia New Zealand Act 1991* (FSANZ Act) to expand its responsibilities to pet food standards and labelling. The FSANZ member informed the working group that inclusion of pet food regulation would require significant resources and while a review of the FSANZ Act was underway, the regulation of pet food was not in scope for that review.

Development of a pet food manufacturing and safety policy framework, including making AS5812 mandatory was also proposed by the Senate committee. The Senate committee noted that the current self-regulatory framework is no longer acceptable by community standards.

More details on policy proposals and the steps and resources required to make the standard mandatory are provided in [Section 4](#) of this report.

Recommendation 3

The working group was asked to identify specific measures to improve AS5812. The current contents of the standard were reviewed and a list of proposed improvements to the standard was developed ([Section 5.1.5](#)). This will be provided to Standards Australia when they begin the formal review of AS5812.

Recommendation 4

The ACCC was asked to consider how AS5812 could become a mandatory standard under Australian Consumer Law (ACL).

The ACCC reviewed the process required to make AS5812 mandatory under the ACL. The ACCC advised that this recommendation falls outside of the ACCC's jurisdiction as the ACL product safety framework applies to 'persons' and does not cover the protection of non-humans (i.e. pets). More detail is provided in the Australian Government response on the [Senate committee website](#).

Recommendation 5

The Australian Veterinary Association (AVA) and the ACCC were asked to consider ways to improve data capture in the PetFAST system. The working group supports improving the PetFAST system, including data capture.

It is not the responsibility of the ACCC to explore ways for the AVA to improve data capture and analysis in the PetFAST system. Specialist database administration and development skills are required to explore and implement measures to improve data capture in the PetFAST system. More detail is provided in the Australian Government response on the [Senate committee website](#).

The AVA have developed a proposal on how to improve PetFAST and the costs involved. The details of this proposal are provided in [Appendix B](#).

Recommendation 6

The ACCC was asked to consider establishing a system for consumer reporting on its Product Safety website. The ACCC does not support this recommendation with the primary reason being that their product safety framework applies to people, not pets. The ACCC already accepts reports about general consumer guarantee issues in relation to consumer rights and reports on unsafe products.

Recommendation 7

The Australian Government was asked to work with the states and territories to establish a mechanism to investigate adverse pet food events and develop a complementary education campaign to raise awareness of the adverse pet food reporting, investigation and recall regime. The working group included members from NSW and Queensland and Victoria contributed to the group's final report. The options developed by the working group are detailed in [Section 5](#).

8 Appendix B

Australian Veterinary Association funding model for PetFAST

The AVA recommends that a PetFAST Working Group is formed to develop an improved regulatory and investigative system in Australia for suspected adverse events associated with pet foods as recommended by the Senate inquiry and the consultants' reports, and to explore funding options for this system.

Recommendations to improve PetFAST and make it sustainable in the long term. PetFAST needs to be funded to continue to be valuable for pet wellbeing and consumers, and to be sustainable.

There are 3 broad outcomes that need to be achieved:

- 1) PetFAST as a sustainable method for veterinary reporting of suspected adverse events.
- 2) PetFAST expanded to include a consumer reporting mechanism (the details of managing consumer reports needs to be addressed)
- 3) PetFAST having a role in education of veterinarians, the pet food industry, and the public – including fact sheets and pre-prepared information that can be disseminated as needed.

The following additional outcomes will greatly assist our goals for PetFAST to be improved and made sustainable:

- 1) Mandatory compliance with a revised Pet Food Standard AS5812, including a recall process
- 2) There is absolute agreement of PFIAA, AVA and RSPCA that pet food standards including recall should be mandatory so that all pet food companies are producing pet food with the same compliance obligations.
- 3) Registration of all pet food manufacturers and importers, to allow better traceability, biosecurity, and importantly, equitable collection of a levy to fund PetFAST activities in the future.

Sustainability and funding of PetFAST long term:

- These important issues will be addressed by establishment of a PetFAST Working Group including a dedicated person from AVA, a dedicated person from PFIAA, and representatives from key stakeholders from government, industry, and the RSPCA.
- The PFIAA representative preferably should not be aligned with any one industry member.
- The working group would be a separately funded body and should fund veterinary consultants and other members of the working group for their expertise and time.
- A succession plan will be developed.
- A funding model to provide long term sustainability of the improved PetFAST will be developed. This will be based on current estimates of an average 35 veterinarian reported incidents per year, capacity for 1 major incident per year, and expected increased reporting when PetFAST is better publicised and expanded to also accept consumer reporting.

- PetFAST should be reviewed every 3 years.

Funding sources for PetFAST

We propose a funding model based on an industry levy. Seed funding from the Government will be necessary for the proposed working group to establish this model, aiming to transition to wholly industry-funded model in 2-3 years' time, in line with regulation.

To achieve a fully industry-funded model, registration of all manufacturers and importers will need to be accomplished. This will allow a levy to be charged and will ensure fairness and equity across the industry – it cannot be only the responsible PFIAA members supporting everyone else.

There are also potential biosecurity benefits in moving to a registration model for all imported pet food – this would allow better monitoring and identification of protein sources introduced to Australia as pet food, and reduce inherent risks of ASF and FMD, among other biosecurity risks.

Ultimately registration of all manufacturers and importers makes sense not only from a funding perspective, but also for better traceability and investigation of adverse events.

Initial government assistance and seed funding

A working group will need to be established to develop the PetFAST of the future, and to specifically achieve the 3 outcomes. The initial funding below is for the development of the working group, terms of reference, development of educational material.

Seed funding from the government will be required until cost recovery can be implemented through registration.

The plan for the working group in the initial 12 months is to have 6 meetings (bi-monthly).

Each meeting will require 2 PetFAST consultants to devote 5 hours (4 hours prep, 1-hour meeting) @ \$300/hour = \$3000 per meeting (\$18,000 for the year). Plus 5 days writing a final report (80 hours @ \$300 = \$24,000)

A PFIAA representative would be required for approximately 15 hours @ \$220 per hour (\$3,300).

Total seed funding request = \$45,300.

Proposed budget to ensure PetFAST is an ongoing, viable system

Table 3 Development of an improved PetFAST system

| Action | Cost |
|---|--------------------|
| Planning and development of an improved PetFAST | \$60,000 |
| Improvement of the PetFAST database | \$30,000 |
| Standing committee of consultants to manage reports of suspected adverse events and develop educational materials | \$110,000 per year |
| Funds to investigate and manage large outbreaks (any unexpended funds to be carried forward) | \$40,000 per year |

9 References

Animal Medicines Australia 2021, Pets and the Pandemic: A social research snapshot of pets and people in the COVID-19 era, Animal Medicines Australia, Canberra.

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<https://www.sharongivoni.com.au/pet-food-regulation-report-2019/>

IBISWorld 2020, Pet food production in Australia, AU Industry (Specialised) Report OD5476, IBISWorld, July.