



**SUMMARY RESULTS**  
**SURVEY ON THE ROLE AND MISSION OF**  
**THE AUSTRALIA NEW ZEALAND FOOD AUTHORITY (ANZFA)**



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July, 2004

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Funds for this research provided by the Ohio Agricultural Research and Development Center (OARDC) – Competitive Grants Program: International Collaboration are gratefully acknowledged.

## SUMMARY RESULTS

Cooperation amongst regulatory agencies in designing food standards is rare in the international community. The Australia New Zealand Food Authority (ANZFA) was an exception. ANZFA was formed as a statutory authority operating under the *Australia New Zealand Food Authority Act* of 1991. In July, 2002 Food Standards Australia New Zealand (FSANZ) replaced ANZFA. ANZFA provided a focus for cooperation between the two national governments and regional authorities in Australia, industry and the community to establish and maintain uniform food regulations in Australia and New Zealand. In New Zealand, ANZFA only had authority over food standards, but not in the areas of food safety, weights and measures, or the dairy and meat industries. This was not true in Australia, where ANZFA had authority in all of these areas.

A survey was developed to assess industry perceptions of the role and mission of ANZFA. It was distributed in May, 2002 to members of the New Zealand Grocery Marketers Association (GMA), and to the corporate headquarters of the three major New Zealand grocery retailing firms. GMA represents about 98 percent of all New Zealand food manufacturers and suppliers to the grocery industry. The three major grocery retailing firms were: Foodstuffs New Zealand (New Zealand owned with a 55% market share), which retails through the 4 chains of New World, Pak 'n' Save, Write Price and 4 Square; Progressive Enterprises (Australian owned with a 24 percent market share), which operates Foodtown, Countdown and Three Guys stores; and Woolworths New Zealand, Ltd. (Hong-Kong owned with a 20% market share). 92 surveys were distributed to GMA members and 6 surveys distributed to retailers - two to key managers in each of the three grocery retail groups.<sup>1</sup> A total of 44 useable instruments were received - a reasonable response rate for this type of industry survey. Given the market coverage of GMA members and the retailers the preliminary statistical analysis and modelling efforts presented here can be interpreted as being representative of the overall New Zealand market.

An equal proportion of the firms responding to our survey were domestic and export focused. 18 agribusiness sent product to Australia, accounting for approximately 22% of their exports (table 1). Other important markets served by these firms included; Asia (24% of agribusinesses sent product to these markets), Europe (20%), Japan (16%), South America (15%), North America (14%), and others (17%). Retailing accounted for ten percent of the total business of these firms, yet 6 of the 44 respondents list retailing as their primary business. Other primary business categories included; manufacturing/processing of consumer foods (28 firms), ingredients (1), products for food service or institutional clients (3), and other (6). Survey results were received from a range of sizes of agribusinesses, characteristic of the New Zealand food industry.

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<sup>1</sup> The survey covered several topics (see appendix) a single manager would not likely have all necessary information or knowledge to answer completely. 6 responses can be categorized as having food retailing as their primary business.

**Table 1: Firm Statistics**

Variable Description and Coding	Mean	Standard Deviation	Max	Min
Does your firm export? 1. Yes 0. No	0.50	0.51	1	0
Percentage of food products exported to Australia	21.84	35.06	100	0
Number of employees 1. less than 20 2. 20-99 3. 100-499 4. 500+	2.66	0.99	4	1
Annual sales 1. less than \$5 mill 2. \$5-\$50 mill. 3. \$50-\$200 mill. 4. \$200 mill +	2.75	0.97	4	1

There was remarkable support for ANZFA's actions, yet areas of concern need to be considered by FSANZ. For example, managers felt that New Zealand remained vulnerable to a range of food related threats (table 2), despite efforts of ANZFA to secure the food supply and assure quality through the use of standards.

**Table 2: Perceived Vulnerability of New Zealand**

Variable Description and Coding	Mean	Standard Deviation	Max	Min
Perceived vulnerability of New Zealand to ... 1. very vulnerable 3. neutral 5. very invulnerable				
<i>Foodborne illness</i>	2.35	0.95	5	1
<i>Livestock diseases</i>	2.49	1.12	5	1
<i>Food terrorism</i>	2.47	1.01	5	1

There was a high degree of awareness of ANZFA. All firms had heard of ANZFA, all but one responded that they knew what ANZFA did, and 36 indicated their firm had dealings (directly) with ANZFA at some stage. A scale combining these responses was constructed and is described in table 3.

**Table 3: Knowledge of ANZFA**

Variable Description and Coding	Mean	Standard Deviation	Max	Min
Depth of knowledge of ANZFA Scale ranges from 0 no knowledge to 3 high knowledge	2.75	0.61	3	0

Note: Scale created from sum of three variables (questions 2, 3 and 4 – see appendix)

The agribusinesses were presented with the following descriptive statement of the mission of ANZFA:

“The Australia New Zealand Food Authority’s (ANZFA) role, in collaboration with others, is to protect the health and safety of people in Australia and New Zealand through the maintenance of a safe food supply. Using the best scientific evidence available, ANZFA uses risk analysis procedures to determine the most appropriate strategy to address food related issues of public health and safety significance.”

Firms were then asked how important they felt these activities to be. Respondents were highly supportive of ANZFA, with none selecting “somewhat” or “very unimportant” (table 4). A similar result was seen for the importance of government regulation in the food industry. 13 of the 44 firms believed ANZFA “is doing a good job” with 30 saying “yes, sometimes” and only 1 firm disagreeing with this statement. Given this it is interesting to note that when asked about the future role of Food Standards Australia New Zealand (FSANZ) approximately even numbers (17 and 20 respectively) thought it would be more proactive than ANZFA or have an identical role. 7 firms had no opinion. This survey was conducted 2 months prior to the replacement of ANZFA with FSANZ.

**Table 4: Support for ANZFA and Food Regulations**

Variable Description and Coding	Mean	Standard Deviation	Max	Min
Importance of ANZFA’s mission 1. very important 3. neutral 5. very unimportant	1.52	0.66	3	1
Importance of food regulations 1. very important 3. neutral 5. very unimportant	1.52	0.70	4	1

Firm level compliance costs for food regulations (such as labelling rules) are expected to influence satisfaction with ANZFA. These costs may decline with firm size (economies of scale) and are likely to be reduced if the firm considers food safety efforts to be strategically important and/or voluntarily conducts enhanced food quality management efforts (see table 5). In New Zealand at the time the survey was administered there was no mandatory requirement of HACCP. Even so, a high proportion of firms had a HACCP plan (84%) and/or were ISO 9000 certified (45%). In addition, as an example of further support for the organization, it is interesting to note that when asked if ANZFA’s authority in New Zealand should be expanded from one of only developing food standards and food labelling requirements to also include food safety, weights and measures and the dairy and meat industries approximately equal proportions (17 and 21 respectively) said yes and no.

**Table 5: Firm Level Food Safety and Quality Management Systems**

Variable Description and Coding	Mean	Standard Deviation	Max	Min
Ease and cost of complying with food labeling regulations 1. very difficult/expensive 3. neutral 5. very easy/inexpensive	1.73	0.66	1	4
Importance of food safety to your firm 1. very important 3. neutral 5. very unimportant	1.23	0.61	1	4
HACCP plan in place? 1. Yes 0. No	0.84	0.37	1	0
ISO certified? 1. Yes 0. No	0.45	0.50	1	0

Much concern has been raised in several countries about the use of country of origin labeling (CoOL) and its potential role as a non-tariff barrier to trade. CoOL can provide protection to domestic firms while “grouping together” all firms from an exporting nation through the use of an aggregate label or signal of implied quality. It is fortunate to collect data from the perspective of New Zealand agribusinesses in their various roles – exporters, manufactures and retailers. Firms were asked to rate the importance *to their firm* of CoOL in each of the following categories, reported in table 6.

**Table 6: Importance of Country of Origin**

Variable Description and Coding	Mean	Standard Deviation	Max	Min
Importance of country of origin labeling for ... 1. very important 3. neutral 5. very unimportant				
<i>Imported meat</i>	1.59	1.10	4	1
<i>Imported fruit and vegetables</i>	2.00	1.12	5	1
<i>Imported processed food products</i>	1.84	1.15	5	1
<i>Exported meat</i>	1.82	1.02	4	1
<i>Exported fruit and vegetables</i>	2.06	1.00	4	1
<i>Exported processed food products</i>	2.23	1.31	5	1

Note: Responses of ‘not applicable’ or no answer were excluded

## **IMPLICATIONS OF THE RESULTS**

Survey results suggest overall satisfaction with ANZFA, highlight concerns over threats to the New Zealand food supply, and indicate differences in the cost of compliance and impact of country of origin food labels based on firm orientation and type. Regression analysis will be applied to explore hypotheses linked to these observations.

# **Appendix**

## **Survey Instrument**

**SURVEY ON THE ROLE AND MISSION OF  
THE  
AUSTRALIA NEW ZEALAND FOOD AUTHORITY (ANZFA)**



This research is being conducted by Dr. Neal Hooker, The Ohio State University, Columbus, Ohio, USA; Dr. John Foltz, University of Idaho, Moscow, Idaho, USA & sabbatical visitor Institute of Food, Nutrition and Human Health, Massey University, Palmerston North; and Dr. W.C. Bailey, Institute of Food, Nutrition and Human Health, Massey University, Palmerston North.

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06-350-4336 ext. 7685, or by e-mail at: [j.c.foltz@massey.ac.nz](mailto:j.c.foltz@massey.ac.nz)

1. How vulnerable do you feel New Zealand's food industry is to the following food safety problems?

a. **Food borne illness** (salmonella, E. coli, botulism, etc.)?

- Very Vulnerable                       Somewhat Invulnerable  
 Somewhat Vulnerable               Very Invulnerable  
 Neutral

b. **Livestock Diseases** (bovine spongiform encephalopathy (BSE), scrapie and other transmissible spongiform encephalopathies (TSEs) foot and mouth disease (FMD), etc.)

- Very Vulnerable                       Somewhat Invulnerable  
 Somewhat Vulnerable               Very Invulnerable  
 Neutral

c. **Food terrorism** (deliberate introduction of toxic agents into the food supply, etc.)

- Very Vulnerable                       Somewhat Invulnerable  
 Somewhat Vulnerable               Very Invulnerable  
 Neutral

2. Have you ever heard of ANZFA (Australia New Zealand Food Authority)?

- Yes                       No

If **yes**, continue to Q3.

If **no**, go to Q. 6.

3. Do you know what ANZFA does?

- Yes                       No

4. Has your company ever had any dealings with ANZFA?

- Yes                       No

5. Do you feel that ANZFA is doing a good job?

- Yes                       Yes, sometimes                       No

6. The Australia New Zealand Food Authority's (ANZFA) role, in collaboration with others, is to protect the health and safety of people in Australia and New Zealand through the maintenance of a safe food supply. Using the best scientific evidence available, ANZFA uses risk analysis procedures to determine the most appropriate strategy to address food related issues of public health and safety significance.

Given this summary of ANZFA's mission, how important do you think this agency is?

- Very Important                       Somewhat Unimportant  
 Somewhat Important               Very Unimportant  
 Neutral

7. Do you feel that ANZFA's mission should expand to include other countries in the region?

- Yes                       No

If yes, what countries? \_\_\_\_\_

8. In July, 2002 ANZFA will be superseded by a new agency called Food Standards Australia New Zealand – FSANZ. What expectations do you have for this revised agency?

- It will take a more proactive role than ANZFA.  
 Its role will not change from that of ANZFA.  
 It will take a less proactive role than ANZFA.  
 No opinion.

9. Do you feel other countries can learn from Australia and New Zealand's cooperative example?

- Yes                       No

10. How important are government regulations in the food industry?

- Very Important                       Somewhat Unimportant  
 Somewhat Important                       Very Unimportant  
 Neutral

11. How difficult or expensive is it for your firm to meet any changes made in food labeling requirements?

- Very Difficult/Expensive                       Somewhat Easy/Inexpensive  
 Somewhat Difficult/Expensive                       Very Easy/Inexpensive  
 Neutral

12. Describe a recent change in a food label for one of your products due to a regulatory requirement:

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- Not Applicable (If not applicable, please go to Q. 15).

13. What do you think was the goal of this requirement?

- To better inform consumers about nutritional quality.  
 To inform consumers about safe food handling issues.  
 To protect domestic food producers and processors.  
 No clear reason.  
 Other (please specify) \_\_\_\_\_

14. How much (in NZ \$) did this label change cost your firm?

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15. Do you feel that New Zealand has equitable representation and voice in ANZFA dealings?

Yes                       No                       Don't Know

16. How important is food safety to your firm's operations?

Very Important                       Somewhat Unimportant  
 Somewhat Important                       Very Unimportant  
 Neutral

17. In New Zealand, ANZFA's role is currently one of developing food standards and food labeling requirements. Should ANZFA's authority in New Zealand be expanded to include food safety, weights and measures and the dairy and meat industry?

Yes                       No

18. Does your firm have a HACCP (Hazard Analysis and Critical Control Point) plan?

Yes                       No                       Not Applicable

19. Is your firm ISO 9000 certified?

Yes                       No                       Not Applicable

If Yes, please tick as many as appropriate:

9001                       9002                       9003

20. To your firm, how important is country of origin labeling for the following **imported** food products?

a. **Meat?**

Very Important                       Somewhat Unimportant  
 Somewhat Important                       Very Unimportant  
 Neutral                       Not Applicable

b. **Fruit and Vegetables?**

Very Important                       Somewhat Unimportant  
 Somewhat Important                       Very Unimportant  
 Neutral                       Not Applicable

c. **Processed food products?**

Very Important                       Somewhat Unimportant  
 Somewhat Important                       Very Unimportant  
 Neutral                       Not Applicable

21. To your firm, how important is country of origin labeling for the following **exported** food products?

a. **Meat?**

- |   |   |
|---|---|
| <input type="checkbox"/> Very Important     | <input type="checkbox"/> Somewhat Unimportant |
| <input type="checkbox"/> Somewhat Important | <input type="checkbox"/> Very Unimportant     |
| <input type="checkbox"/> Neutral            | <input type="checkbox"/> Not Applicable       |

b. **Fruit and Vegetables?**

- |   |   |
|---|---|
| <input type="checkbox"/> Very Important     | <input type="checkbox"/> Somewhat Unimportant |
| <input type="checkbox"/> Somewhat Important | <input type="checkbox"/> Very Unimportant     |
| <input type="checkbox"/> Neutral            | <input type="checkbox"/> Not Applicable       |

c. **Processed food products?**

- |   |   |
|---|---|
| <input type="checkbox"/> Very Important     | <input type="checkbox"/> Somewhat Unimportant |
| <input type="checkbox"/> Somewhat Important | <input type="checkbox"/> Very Unimportant     |
| <input type="checkbox"/> Neutral            | <input type="checkbox"/> Not Applicable       |

22. Does your firm export food products?

- Yes                       No

If yes, continue to Q.23.

If no, go to Q. 24.

23. Approximately what percent of the food products you export go to the following countries or regions?

- |                     |                               |
|---------------------|-------------------------------|
| _____ Australia     | _____ Japan                   |
| _____ North America | _____ Asia (other than Japan) |
| _____ South America | _____ Other (list) _____      |
| _____ Europe        |                               |

24. Please estimate what percentage of your business falls into the following categories (Should total to 100%):

- \_\_\_\_\_ Manufacturing/Processing of Consumer Foods
- \_\_\_\_\_ Manufacturing/Processing of Food Ingredients  
for further processing
- \_\_\_\_\_ Manufacturing/Processing of Foods for the Food  
Service Industry (Restaurants, educational institutions,  
hospitals, etc.)
- \_\_\_\_\_ Retailing Consumer Foods
- \_\_\_\_\_ Other (please specify) \_\_\_\_\_

100% Total

