

Submission to the Productivity Commission from Cwmglyn Farmhouse Cheese submitted by

Biddy Fraser-Davies, sole milk harvester and cheesemaker at Cwmglyn Farmhouse Cheese

Greetings!

I, together with my husband (my cow-man, possibly the only one in NZ with a Ph.D in chemistry) run a very small production, traditional hard farmhouse cheese making business. Since July 2009 my life has been made quite miserable by the regulatory authorities as I have tried to reason with them on the impossibility of imposing compliance regulations designed to regulate vast cheesemaking businesses and dairy operations like Fonterra with tiny artisan cheese making enterprises such as mine.

I milk 4 Jersey cows and use their milk to make my traditional hard farmhouse cheese, with a wholly natural rind that is sealed with the clarified butter made from the same cows. My cheese is sold at the farmgate and I supply Wellington restaurants such as Logan Brown, The White House and Shed 5. I was also asked to supply Government House with cheese on the recent visit of the Duke & Duchess of Cambridge and Prince George - Cwmglyn cheese was supplied to the latter's 'Plunket play group playdate' and to the formal Dinner. Cwmglyn Cheese was also the only NZ winner at 2013 World Cheese Awards (awarded a Silver award) from entrants from 30 countries and over 2777 entries. I tell you this only to emphasise that I make very good cheese.

Obviously the hygiene regime in both very small and large premises has to be beyond reproach, given that milk is such an excellent medium for growing either good or pathogenic bacteria. The difficulty for me is the actual compliance costs, for instance annual charges from MPI for development of maintenance standards and performance monitoring. There are two sets of fees. I come under the lower one designed for businesses under 316,000 kg raw milk solids. My annual raw milk solid production is around 750 kg, which is not bad from 4 cows, but is way below the other figure! The authorities make no provision for such costs to be on a proportionate basis, possibly because if they did, my fees would probably be under \$5.00.

Then there is the provision in the Animal Products Act which stipulates that I must be audited and my processes verified by MPI recognised Agencies. There are only 2 recognised for cheese production. Neither agencies make any provision for the auditing of premises as small as mine, one (AsureQuality) refused to quote as they said my small production did not justify the size of the fees they would charge. The other company said much the same thing, but under pressure came up with a figure of just under \$4000.00 for one audit. My mathematical skills are pretty ropey but this sort of sum against an annual turnover of around \$25,000 seems somewhat excessive. Especially given the other mandatory fees payable, \$561.20 to MPI, \$250 for annual milking plant service, \$158 for annual milking parlour inspections, laboratory fees for raw milk testing and cheese testing etc. etc. The only reason I haven't been driven out of business like many of the other small production artisan cheese makers is because I am a stubborn old woman and feel that there should be provision for small artisan cheesemakers such as there are in the villages of Europe and that somebody has to make a stand against excessive bureaucracy .

MPI feel they have wasted enough time and money trying to deal with me and they keep telling me that I could endanger the entire economy and bring the dairy industry into disrepute if they don't impose the same compliance costs and regulations as they do the big industrial dairy giants. I counter by saying a sensible sole operator such as myself, meticulously cleaning the udders and testing the foremilk before I milk my 4 cows and making traditional hard cheese, has a far lower risk profile than businesses milking thousands of cows and cheese factories with hundreds of workers. ..

I am getting nowhere. Do please help me!

With best wishes,

Biddy Fraser-Davies

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