

Exposure draft for consultation: Consumer Information Standards (Origin of Food) Regulations 2019

1. Introduction

This submission is from NZPork, the farmer-funded statutory body representing the interests of New Zealand's commercial pig farmers.

The New Zealand pork industry – including the Board, farmers and supply chain – is very pleased that country of origin for food is being regulated. We support the approach set out in the Consumers' Right to Know (Country of Origin of Food) Act 2018, which is a pragmatic starting point to deliver information on some 'regulated' foods to consumers who, over the years, have made it very clear such information is important to them to make buying decisions.

Most importantly we support the inclusion of pork, plus **cured pork** as a special case of regulated food requiring country of origin information. This is because 62%¹ of pork consumed by New Zealanders is imported, and the great majority of imported pork (over 85%) is further processed in New Zealand into a range of pork products. In deliberating on and passing the Act, Parliament very clearly articulated their reasons for including the special category of **cured pork**: – which was to ensure that consumers had information to identify imported pork. If imported pork were not included in this standard, then the only origin information required would be the name and address of a 'supplier' (as covered in the FSANZ Code, Standard 1.2.2 – 4.) The result is that imported pork would continue to be 'hidden' from New Zealand consumers, by hiding behind the name of a NZ manufacturer or supplier.

We have not repeated the full justification covered in our earlier submissions on the reasons that country of origin information is so important for consumers for pork and processed pork products: suffice to say over the years consumers have sought to reassure themselves on the provenance of the food they choose to eat. In regard to pork this has included New Zealand origin, food safety assurance and production from pigs whose welfare has been cared for. Imported pork does not have to meet New Zealand's high welfare standards. Regulating country of origin of pork to be disclosed to consumers ensures our New Zealand farmers can differentiate themselves and stand proudly behind New Zealand's production practices.

Our focus in this submission is on 2 issues that we request are reviewed and amended before the regulations are confirmed. It is our view that addressing these 2 issues will strengthen the regulations in respect of clarifying the origin of pork.

¹ As at December 2019

The first issue is the range of products included in the term **cured pork**. We have already made our position known on this matter. Now having seen the policy justification accompanying the draft regulations, we still believe that the coverage within the term cured pork has been unnecessarily narrowed. We have provided a broader definition in our submission.

The second issue concerns **how** the country of origin information is presented, to ensure that for cured pork products it is not overshadowed by country of manufacture.

Thank you for the opportunity to submit.

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2. Cured pork

Cured pork, as proposed in the draft standard, is too narrow to cover the wide range of further processed pork products that imported pork is used in. Such products are bacon and ham, but also a wide range of marinated, injected, flavour and moisture enhanced products, salami and sausages. We have listed a range of processed pork products available in New Zealand supermarkets in Appendix 1, and we have highlighted product categories that the current definition appears to exclude.

2.1 Amendment is required to avoid consumer confusion and potential to mislead

If the proposed definition is not amended, it would mean:

- Imported pork (e.g. from Spain) would be labelled “raised in Spain”

BUT

- Marinated pork from Spain, or pork from Spain marinated in New Zealand would NOT have to be labelled that the pork was raised in Spain

AND these two products could both sit in the meat chiller beside each other - AND beside New Zealand pork) – all looking as though they are ‘fresh’ (chilled). Surely this is NOT what is envisaged by the regulations?

Without amendment we’ve provided examples of current labelling practices that would continue, which we believe would at best confuse consumers - refer Appendix 2.

We think this loophole *could* provide manufacturers with the opportunity to mislead e.g. by lightly marinating imported pork, and so avoiding the requirement to label with country of origin of pork.

2.2 Amended definition for cured pork

Our suggestion is wider coverage along the lines:

- (a) A processed pork product that –
 - (i) Contains pork flesh that is least 30% of the product’s weight; and
 - (ii) Is represented for sale as ham or bacon; or

- (b) A processed pork product that –
 - (i) Contains pork flesh that is least 30% of the product’s weight; and
 - (ii) Contains ingredients for the purposes of preservation, flavouring, moisture enhancement, tenderising, yield extension or reforming; or

- (c) A processed pork product that –
 - (i) Contains pork flesh that is least 30% of the product’s weight; and
 - (ii) Is represented for sale as a sausage.

This definition incorporates the wider – and growing – range of products where imported pork is used, including marinated, moisture enhanced, injected pork products². It also includes sausages³ with a substantial pork component. We think all these products need to be included to provide consumers with the information they clearly desire – which is the intent of the regulations.

Broadening the coverage like this will avoid confusion between categories of pork products, and focus the country of origin identification requirement on a consistent quantity of pork in pork products.

Among other things we cannot see any reason to differentiate between products represented for sale as bacon or ham and other cured products; hence we recommend all categories contain the same minimum % of pork.

²Marinated, injected Imported pork presented as marinated, infused and re-formed is a substantial category: an industry estimate is that currently around **10 tonnes of imported pork** are sold in such products in New Zealand each week. These products sit alongside (fresh) New Zealand pork in the chiller.

³ An industry estimate is that the fresh sausage category in supermarkets is of the same size as the chilled pork category.

2.3 Questions on justification of cured pork coverage

The supporting material released with the draft regulations states that including a wider range of pork products (than the proposed definition) would create a wide discrepancy between the treatment of pork and other types of meat. But the very reason Parliament included cured pork as a special category is because pork is very different from other meats, given that over 60 per cent is imported!

Nor could we follow the logic expressed in the supporting material that says the preferred option is to align with a technical definition of 'cured' and so this excludes pork products that are marinated, moisture infused etc. This argument has not been applied consistently because products sold as ham and bacon even if not 'cured' are included. Plus cured sausages are excluded.

3. Providing Country of origin Information

We recognise that there are a number of important information requirements for packaged foods in addition to country of origin. However we think that the requirements for the presentation of country of origin information in the standard as drafted are too non-specific to enable country of origin of pork in processed pork products to be clearly communicated to consumers.

First of all, we fully support that the information required by the standard is country of origin for pork viz. the country (or more than one country) **where the animal was raised**. It must **not** be provided as 'produced' or 'made' because these terms have the potential to be misrepresented as the country of manufacture.

But we believe that the proposed standard which only requires country of origin information to be '*clear and legible*' and '*to enable each person ...to be informed...*' requires strengthening.

In Appendix 3 we have presented 2 examples of branding with country of manufacture which in our view overshadows country of origin of where the pigs were raised.

Could some guidance at least be provided, so that the country of origin of pork is not overshadowed by information on country of manufacture. The intent of the regulations is to provide consumers with the information they require on country of origin information of pork NOT country of manufacture.

Guidance material would give direction to the Commerce Commission for evaluating compliance.

4. About NZPork

NZPork (the operating name of the New Zealand Pork Industry Board) is a producer body which is funded by statutory levy, and whose statutory purpose is to act in the interests of New Zealand pig farmers within the broader framework of contributing to the New Zealand economy.

5. Background on the New Zealand pork industry ⁴

The New Zealand pig industry is a highly productive, high health specialised niche livestock sector. Pig meat production is concentrated on a very small number of farms: as at 2019, there are around 95 commercial farms in New Zealand, with a commercial sow herd of around 27,000. Pig farming is well integrated within New Zealand's primary production economic base, and a number of pig farms operate as a component of a larger multi-species farming business.

Pig farming as a sector provides a significant contribution to the rural economy and society. Currently farmgate value is \$165 - \$185 million per annum. In addition are the upstream and downstream industries including feed production, and farm supplies spanning equipment, building materials, animal health products and services, transport. Post the farm services required are live animal transport, slaughter facilities and capability and further processing. An estimated 300 persons are employed on New Zealand pig farms to specifically care for pigs as stockpersons. There are additional support services such as maintenance staff and drivers. These persons and their families contribute to local rural communities.

The New Zealand pork producing industry is very small in international terms, contributing less than 0.1% of international production, and its focus is on providing pig meat for New Zealand consumers.

New Zealanders' consumption of pig meat has increased over recent years and is now around 23.6 kgs / capita. But notably New Zealand's production has contracted over the last 5 years in terms of numbers of pigs killed, although tonnage of pig meat produced has not contracted to the same extent due to the industry's increasing productivity. Currently New Zealand pig farmers produce around 44,800 tonnes of pig meat per year. New Zealand produced pork accounts for only 38% of total per capita consumption, with the remaining 62% of pig meat consumed by New Zealanders being imported from a wide range of countries – none of which meet New Zealand's Animal Welfare regulations in all respects.

⁴ Figures current to July 2019

Appendix 1: Categories of products presented for retail sale that are potentially 'processed' from imported pork *

Product categories	Description / product types	Branded examples available at retail
Bacon	<ul style="list-style-type: none"> - Streaky, streaky bacon -flavoured - Middle bacon, middle eye bacon - Shoulder bacon - Danish bacon - Loin bacon - Short cut bacon - Bacon hocks - Bacon strips - Minced, diced, flaked bacon 	<ul style="list-style-type: none"> - Medallion middle bacon - Woolworths middle bacon - Hellers free range Danish eye bacon - Pam's finest short cut bacon; Pam's streaky bacon
Ham	<ul style="list-style-type: none"> - Ham on the bone – champagne, half ham, bone in / bone out - Sliced ham (including range of flavours / styles) - Shaved ham (including range of flavours / styles) - Ham steaks - Sandwich ham, brunch ham, 4 x4 ham 	<ul style="list-style-type: none"> - Swiss Deli champagne ham - Leonard's sandwich ham - Beehive shaved honey baked ham - Leonard's ham steaks - Walsh ham steaks
Injected / marinated pork	<ul style="list-style-type: none"> - Marinated pork loin steaks - Marinated pork ribs - Marinated chops 	<ul style="list-style-type: none"> - Country Pride marinated king steak teriyaki pork loin - Hellaby's marinated pork loin teriyaki flavoured - Hellers sweet and sticky pork ribs - New World marinated pork chops – Chinese honey - Fishers marinated pork sirloin (apple and maple, teriyaki) - Beak and Son Chinese BBQ pork ribs
Pork sausages – fresh, cured, smoked, pre-cooked	<ul style="list-style-type: none"> - Pork sausages – e.g. pork, pork and fennel, BBQ, Greek, chorizo, Cumberland - Pre-cooked pork sausages (including range of flavours – cheese, Chinese honey) - (Pork) frankfurters - (Pork) kransky (including different flavours) - (Pork) chipolatas, cheerios, cocktail sausages, saveloys - (Pork) sausage meat 	<ul style="list-style-type: none"> - Hellers London Pride sausages - L'Authentique traditional Toulouse - Frank's pork chipolatas - Primo kransky - Grandpas pork and sage pre-cooked New Zealand sausages - Woolworths pork and beef spicy chorizo sausages
Re-formed pork, minced pork	<ul style="list-style-type: none"> - Pork meat balls - Pulled pork - Pork luncheon - Pork brawn 	<ul style="list-style-type: none"> - Hellers pulled pork - Hellers Asian pork meatballs - Hellers free farmed pork meatballs - Leonard's pork luncheon
Salami	<ul style="list-style-type: none"> - Salami chubs, sliced, sticks containing pork 	<ul style="list-style-type: none"> - Verkerks sliced Danish salami

* Highlighted products are not covered by the proposed definition of cured pork

Appendix 2: Examples of current pork labelling



Hamilton supermarket: marinated imported pork in the meat cabinet alongside fresh New Zealand pork chops (July 2019)



Lower Hutt supermarket: imported marinated pork steaks alongside fresh New Zealand pork chops (July 2019)



(Another) Lower Hutt supermarket: marinated pork chops alongside fresh New Zealand pork chops (July 2019)

Appendix 3: Examples of current processed pork labelling focussing of country of manufacture

