Product of New Zealand

By Chris Barton

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Under our current food labelling system, imported produce can be repacked, reconstituted or processed in this country and then labelled as "Made in New Zealand".

According to Horticulture New Zealand (HortNZ), a New Zealand raspberry jam manufacturer, for example, could import a containerload of Chinese jam, mix in one punnet of New Zealand-grown fruit and put both "homemade" and "made in New Zealand" on its label.

Sillier still, our rules say that when a food has been physically altered or processed in some way in a second country, then the second country becomes the country of origin. Fresh garlic, for example could be exported from China, crushed in Australia and sold here as "made in Australia".

Does it matter? Yes, because increasingly, consumers want to know where the bacon they're buying comes from and what the pigs have been fed, whether their tomatoes have been dipped in insecticides, and have the right to buy from genuine local producers if they choose.

But here, "product of New Zealand" and "made in New Zealand" are not the same thing, making a farce of the Government's "Buy New Zealand Made" campaign and creating confusion to the point of misleading consumers.

When one of Soil and Health Association's members bought a packet of Summer House, NZ Hothouse-branded capsicums in July; she didn't notice the small print. That was possibly due to the packaging and the big Woolworths supermarket sign above the capsicum bin which said: "Product of New Zealand".

Members bought the capsicums along with other samples - tomatoes and courgettes - from around New Zealand to test for pesticide residues. But when the test results came back from Hill Laboratories something didn't add up. The capsicums couldn't be New Zealand grown because they had residues of dimethoate - a toxic insecticide that isn't used by growers here, but is required by MAF Biosecurity New Zealand for imported Australian produce which must be dipped or sprayed with the stuff to ensure we don't get infested by the Queensland fruitfly.

Another look at the plastic wrapper solved the mystery - tiny inkjet print saying "Australian capsicums".

The find rekindles debate about whether consumers have a right to know where the food they buy comes from. At present there's no requirement for "mandatory country of origin labelling" here, but the major supermarket chains decided last year to label the origin of produce they sell on a voluntary basis.

As shown by NZ Hothouse capsicums and a host of other examples, the process is not always accurate and, often, far from informative.

Green MP Sue Kedgley has complained to the Commerce Commission. She's seeking a ruling whether NZ Hothouse's and Woolworths Waiheke's labelling was "misleading and deceptive practice" under the Fair Trading Act. The commission is assessing the potential breach and has yet to make a decision on whether to investigate the matter.

Progressive Enterprises, which operates supermarket chains including Woolworths, Foodtown and Countdown, says it will be investigating thoroughly.

"We are committed to working directly with growers to ensure quality and availability," says a Progressive spokesman. To supply its stores, the company says all suppliers must comply with Good Agricultural Practice standards developed by HortNZ to ensure adherence to all regulations and standards.

"We encourage minimal use of chemicals as part of our safe food, environmental and sustainability programmes," says the spokesman.

The reality in supermarket stores is a little different. In July, Kedgley presented a petition, signed by 37,988, supporting mandatory country of origin labelling, to Parliament's Health Select Committee. Part of her submission was photos of food for sale at various supermarkets.

The images included bacon and fish with no country of origin label; beef rump steak labelled "Product of NZ or Australia"; apples with a display label of "Apple NZ Rose" while the sticker on the apple says "Produce of USA"; and kiwifruit with a display label stating "Grown in NZ", but a product label saying "Italian kiwifruit".

The Green petition gets support from other groups including the New Zealand Pork Industry Board which sees the matter in terms of "consumers' right to infer food safety and suitability, which encompass health concerns".

In its submission to the select committee, the board highlights the potential for food safety issues arising from animal feed ingredients - an area which relative to human food, is more lightly regulated in most countries, and where standards may vary greatly between countries.

Overseas examples include melamine (an industrial chemical used in the manufacture of resin) contamination of pet food, and pig and poultry feed used in the United States, sourced from China in 2007; and lead contamination of a feed supplement used for pigs in Australia, sourced from China in 2008. In such circumstances, knowing where your pork comes from and how it was fed would seem useful information.

HortNZ also believes current food product labelling standards don't give consumers enough information to allow them to make informed choices about their purchases. It believes country labelling should give its 7000 commercial fruit, vegetable, berryfruit and olive growers a competitive advantage in the domestic market.

As well as "Made in New Zealand" slippage, HortNZ challenges the Government view that mandatory country of origin labelling restricts trade because it creates a trade barrier not unlike a tariff.

Minister of Agriculture Jim Anderton has described labelling where food comes from as "blatantly protectionist".

But such labelling is already the norm in several of our major export markets, including Australia and the US. Australia has labelling guidelines for the use of the terms "product of Australia" and "made in Australia".

In its submission to the select committee, HortNZ asks: "If mandatory country of origin labelling is not a trade barrier in the US or Australia, how could it be here?"

It's a good question that doesn't seem to have a satisfactory answer. In 2005 Food Standards Australia New Zealand was set to introduce country of origin labelling for both countries. At the time, the standards body said: "The major benefit of the recommended country of origin arrangements will be to provide consumers with clear and unambiguous information on the source of a food product, both packaged and unpacked." But citing trade issues - "flexibility for our exporters, and because New Zealand processed foods often include ingredients from other countries" - then Food Safety Minister, Annette King, pulled New Zealand out of the agreement, making transtasman co-operation in food standards look like a joke.

Meanwhile, the Soil and Health Association has published its test results. As well as the Australian capsicums from Woolworths Waiheke, there was dimethoate in capsicums from a Christchurch Pak'n' Save (not labelled Australian), and in Australian tomatoes, capsicums and courgettes at a Blenheim Countdown store.

Oddly, dimethoate wasn't present in one sample of Australian tomatoes. If the tomatoes were Australian, they should have been dipped in dimethoate to prevent fruitfly infestation here. MAF Biosecurity is investigating the possible breach of its regulations.

Is the New Zealand Food and Safety Authority concerned?

"The reported findings of residues on New Zealand and imported produce do not raise concerns, as all are well below any level that would pose a health concern," says Debbie Morris, NZFSA director for agricultural compounds and agricultural medicines.

What about the courgettes with a total residue (dimethoate and omethoate) of 4.2mg/kg, more than double our maximum residue limit (MRL) of 2mg/kg?

"The Australian [courgette] result for dimethoate complies with the 5mg/kg Australian cucurbit MRL and is therefore compliant under the Trans Tasman Mutual Recognition Arrangement," she says.

How convenient. Australian rules can come into play on maximum residue levels - allowing more than double our food safety limit on dimethoate residue, but are rejected when it comes to country of origin labelling.

"NZFSA's position is that country of origin labelling is a commercial decision for consumer information purposes. It says nothing about food safety," says NZFSA director for policy, Carole Inkster.

"Any issue around the reported country of origin is a matter for the Commerce Commission."

In 2005 NZFSA argued strongly against country of origin labelling saying it was potentially trade restrictive, not relevant to the issue of food safety and did not demonstrate tangible consumer benefits.

Not surprisingly, the authority's intractable position gets Soil and Health Association members riled. Some regard the organisation the "sinister" rather than "safety" authority.

"The NZFSA tends to forget that it also has a responsibility for ensuring that consumers get the information they need to make informed decisions," says Dr Meriel Watts of Pesticide Action Network.

"Consumers in New Zealand have been telling the NZFSA and the government endlessly that they want to know what country their food comes from."

She says it's codswallop to write off country of origin labelling as a commercial decision - pointing out that the European Union, the US and Australia all support it.

"NZFSA is alone in the western world in its betrayal of its own consumers. You can see from this that the NZFSA does not put the interests of consumers first, and this is reflected also in their attitude towards pesticide residues in food."

NZFSA says its monitoring programmes including the Total Diet Survey show residue levels of dimethoate and other agricultural compounds are well below its Acceptable Daily Intake measures.

"There is no evidence that the level of residue in food poses a threat to human health," say Morris.

BANNED IN 55 NATIONS - BUT NOT NZ

While the presence of dimethoate in some of Soil and Health's samples put country of origin labelling centre stage, the original purpose of the testing was focused on another pesticide, endosulfan.

The organisation has lobbied hard for endosulfan's use to be banned here, as it is in 55 countries. Classified as acutely toxic, particularly when inhaled or absorbed through the skin, and very toxic to aquatic life, endosulfan has been in use here since 1963.

Its use is under review by the Environmental Risk Management Authority (Erma) and the European Union is proposing a global ban.

The pesticide makes headlines here when farmers use it to control ticks on cattle. In 2006, a Northland farmer was fined \$15,000 for contaminating meat with endosulfan - that resulted in a temporary suspension of beef exports to South Korea.

Horticulture NZ recommends a gradual phase-out of endosulfan which it says is in decline among growers, but is used as a back stop at times to control pests such as whitefly. Most hothouse growers here do everything they can to avoid insecticides on their crops - using biological control agents and/or biopesticides (made from natural materials) wherever possible. Ironically, one of the roadblocks to getting "green" alternatives is the expensive process of getting products registered.

HortNZ director Tony Ivicevich estimates a cost of \$150,000-\$200,000 for testing procedures and research necessary to meet Erma and Food Safety Authority requirements. John Thompson, director of Bioforce, and crop protection consultant for NZ Hothouse, agrees. "The system doesn't make it very easy for new, hugely less toxic chemistries to be registered to replace pesticides like endosulfan." He'd like to see a proactive government process to facilitate registration of low toxicity, low impact pesticides and biological controls.

NZFSA's maximum residue limit (MRL) for endosulfan in tomatoes is 2mg/kg; high compared to Australia (1 mg/kg) and the EU (0.5mg/kg). NZFSA director Debbie Morris says the variation is because different countries take into account factors including usage of the compound, crops that are grown locally and pests that attack them, residues on imported food, and dietary data.

She did not comment on the fact that in the US, endosulfan use is prohibited on beans, peas, spinach and grapes. In Australia it's prohibited on leafy vegetables and berry fruits.

Soil and Health's test results showed small amounts of endosulfan well below our MRLs in New Zealand-grown tomatoes. The association is concerned about the "cocktail effect" of consuming lots of different small amounts of pesticide residue and that endosulfan, an organochlorine and "endocrine disruptor" has been linked to some cancers.

"Soil and Health's claims about safety of endosulfan and dimethoate residues in food are not supported by internationally accepted science," says Morris.

Dr Meriel Watts of Pesticide Action Network disagrees, citing references in internationally accepted scientific publications. "They may not be supported by the industry-generated science used by NZFSA and Erma," says Watts.

"The problem is that neither acknowledge endocrine disruption even though much more wellfunded regulators in the US and European Union do."

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