BRIEFING TO THE INCOMING PARLIAMENT
Introduction from the CEO

From Captain Cook and the kune kune to champagne ham and gourmet sausages, New Zealand pork has nourished families and helped our communities grow.

The New Zealand Pork Industry Board (NZPork) is a statutory body, established under the Pork Industry Board Act 1997, with the Vision of “Contributing to a profitable future for the New Zealand pork industry”.

Our strategic plan from 2011 to 2015 sets out NZPork’s intention to promote New Zealand pork products, institute more effective supply chains, boost on-farm productivity, future proof farming and deliver leadership & communication.

This document focuses on a number of challenges relevant to New Zealand’s pork sector, particularly around animal welfare, trade and porcine biosecurity. Many of these challenges also have implications among the wider primary production sector. However, the document is designed to ensure that the incoming Parliament is fully abreast of the New Zealand pork industry’s concerns in each of these areas, and the conclusion outlines actions which we hope the incoming Government will consider for implementation.

I would welcome an opportunity to discuss the issues covered by this document with you in person.

Sam McIvor
CEO, NZPork
**Current situation**

The commercial farming and processing of pork, bacon, ham and other pork products in New Zealand is a highly specialised industry, creating an economic value of more than $1 billion annually. Pigs are quite different to sheep and cattle, and need specialist technical and husbandry skills for successful production.

New Zealand pork production is focused mainly around the Canterbury and Central North Island regions, making a significant contribution to local economies, sustainable employment and skills development. Modern pig farming requires high levels of technical and practical farming skills, along with the dedication and understanding to compete in a highly aggressive local market.

New Zealand pig farmers currently compete effectively with more than 700,000 kilograms of pig meat imported each week, predominantly feeding into the bacon, ham and smallgoods market. Fresh pork is imported primarily from Europe, Canada and the United States, and Australia.

Approximately 55% of New Zealand’s demand for pork and pork products is satisfied by domestic production, with surveys showing that the majority of New Zealand consumers favour locally-produced pork products. NZPork is therefore a strong advocate for mandatory “country of origin labelling” on fresh and single-component foods, and has also taken the initiative of making “100% New Zealand pork” labels available to producers and processors who show that their supply of pig meat for processed pork products is entirely domestically sourced.

A growing and vibrant domestic pork industry is important for the local economy. For every $1 paid to a New Zealand pig farmer, a further $1.92 is generated; whereas every $1 spent on imported pork yields only a further $0.78.

**Animal welfare**

The pork industry has taken on board consumer concerns about animal welfare and adopted new welfare standards, committing to a complete phase-out of gestation stalls (“sow stalls”) by 2015. This change comes at significant expense to farmers, but farmers are on track to achieve it, with more than 50% of sows already meeting the target.

NZPork is committed to ongoing improvements, both to meet the consumer demand for “free farmed” pork and to compete with trading partners. The great majority of pig meat
meat imported into New Zealand is raised with animal welfare standards which would not meet our local requirements. For example, the EU has not committed to a complete phase-out of gestation stalls. Canada has no restrictions on the use of “sow stalls”, and neither do the major pork-producing states of the USA.

**PigCare**

Commissioned by NZPork, Massey University and the MAF Sustainable Farming Fund developed animal welfare assessment tools during 2009 which form the basis of the PigCare national welfare audit programme.

New Zealand’s commercial pork producers have registered for PigCare and been audited by trained and calibrated independent third party auditors against the PigCare standard. The PigCare programme is managed by AsureQuality. To further encourage the whole New Zealand pork industry towards embracing PigCare, NZPork has ensured that the 100% New Zealand Bacon and 100% New Zealand Ham competitions are only open to entrants who can demonstrate PigCare certification for their supply of pork.

NZPork believes that PigCare certification provides consumers with an independent assurance that pigs were farmed in conditions reaching or exceeding New Zealand’s strict animal welfare standards. Further, we suggest that PigCare accreditation not only provides consumers with confidence but adds value for locally produced pork when compared to imported products which lack a visible assurance of compliance with any specific welfare standard.

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**Biosecurity**

Biosecurity is an ongoing concern across the primary sector. Over the last several years a number of industries have been devastated by biosecurity incursions, including PSA in kiwifruit, Varroa amongst bees, and the Tomato/Potato psyllid. Many farmers seriously question MAF’s ability to protect New Zealand’s borders – a concern that may be well founded when MAF’s website lists 212 “notifiable” or “unwanted” pests and diseases which are already present in New Zealand.

Pigs are significant disease vectors – meaning that diseases can easily transfer between pigs and other species, or between groups of pigs. For this reason, NZPork has facilitated the development and implementation of an on-farm biosecurity standard which is widely supported by commercial farmers as a minimum standard. Commercial pig farmers observe controls on the movement of pigs between herds, and set out provisions associated with people and vehicle access to a farm.
particularly in relation to visiting other pig farms within short time frames, plus implement feeding regimes to manage the risk of disease introduction via this vector. MAF also recognises the exotic disease risk from feeding to pigs, and has in place the Biosecurity (Meat and Food Waste for Pigs) Regulations 2005, although unfortunately both MAF and industry recognise that these are ineffective in assuring compliance and are very difficult to enforce.

The major biosecurity threat to the New Zealand pork industry arises from Porcine Reproductive and Respiratory Syndrome virus (PRRS). NZPork considers that this risk will be greatly exacerbated by MAF’s proposal to relax border standards to allow the import of PRRS-infected pig meat. NZPork’s recent work on the costs of biosecurity incursions reinforces our belief that, if introduced to New Zealand, PRRS would devastate the pork industry as seriously as PSA, Varroa and the Tomato/Potato psyllid have undermined other parts of the primary sector.

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The impact of biosecurity incursions can be significant and ongoing. Figures from the kiwifruit, apiculture and horticulture sectors estimate that PSA, Varroa and the Tomato/Potato psyllid (respectively) have cost those industries a minimum of $500 million, with additional costs into the foreseeable future for additional crop protection, research and mitigation measures. Parliamentary Questions asked in 2011 revealed an estimate that an outbreak of PRRS would have a short-term financial impact in the “low tens of millions of dollars”, while MAF estimates in 2002 projected that an outbreak of food and mouth disease could reduce New Zealand’s GDP by up to 8%.

New Zealand’s biosecurity policies typically seek to reduce risk to an “acceptable level of protection” (ALOP). The World Trade Organisation Agreement on the Application of Sanitary and Phytosanitary Measures (SPS) requires ALOP to be a consistent level applied across all industries within a country. NZPork believes an unambiguous definition of ALOP would be very helpful to industries, and would enhance principles of transparency and accountability in policy making. NZPork therefore suggests that government, primary industries and other stakeholders discuss and clarify and develop guidelines outlining what could be considered an acceptable level of biosecurity risk.

Porcine Reproductive and Respiratory Syndrome

PRRS is a commercially devastating disease that has swept around the world since it was first identified around 1990. It is described as the number one enemy of the pig industry world-wide. Given its rapid spread, New Zealand is one of very few countries in the world that has escaped its scourge (along with Australia, Finland, Norway and Switzerland). PRRS virus does not present any risk to human health, and the virus neither infects nor causes disease in humans.

PRRS is an RNA virus which can and does mutate rapidly. Its effect varies with different strains, with up to 80% mortality levels in grower pigs during the acute phase, along with reproductive effects...
including abortion, still births and reduced farrowing rates. Because it has a large number of strains and variants, vaccination is of limited effect, and it is not known how the virus may change in the future.

The PRRS virus can kill up to 70% of piglets pre-weaning, and another 15% post-weaning. Many sows suffer spontaneous abortions or give birth to stillborn (often mummified) piglets, with the survivors facing a quality of life impacted by PRRS. Its appearance is therefore devastating to animal welfare, the welfare of pig farmers and their staff, the New Zealand pork industry and the broader international perception of New Zealand’s healthy and disease-free status.

Research commissioned at Lelystad in The Netherlands by the Australian government established that PRRS can be transmitted if naïve pigs eat PRRS-infected meat. Other research has established – and experience clearly shown – that infection can then spread to other pigs and other herds through pig-to-pig contact, semen, aerosol, and other forms of ‘area’ spread such as insects, birds, machinery and people contact.

Further to this, the feeding of waste meat is believed to have caused a PRRS outbreak amongst 38 backyard, para-commercial and commercial piggeries in South Africa during 2004. In this case, it appears that infected food waste from Cape Town harbour or Cape Town International Airport was fed to a small number of non-commercial pigs. By the time PRRS was identified, the virus had begun to spread, and initial attempts to manage the virus failed. Ultimately, a total of 8,592 animals were implicated and slaughtered, with disinfection of contaminated farms. Two nationwide serological surveys conducted at considerable cost suggest that the disease has now been brought under control.

NZPork is alarmed that MAF’s new import health standards, as proposed, would permit the PRRS virus to enter New Zealand through untreated infected pig meat, enter the porcine food chain unchecked through the feeding of uncooked food waste to pigs by the many non-commercial pig owners in New Zealand (an unknown number that may be in the order of 15,000 properties), and then be spread to the broader commercial pig industry whose herds co-exist alongside non-commercial pig owners.

An Expert Working Group convened by MAF in 2010 heard that the restrictions contained in MAF’s proposed standard would allow around 12,900 tonnes of pork to be imported from PRRS-positive countries each year,
with New Zealand pigs subject to 201,914 potential exposures per year to potentially uncooked or par-cooked infected pork through waste food channels.

Of note, under WTO rules, the reasoning used by MAF to permit the importation of untreated pig meat imports from PRRS-infected countries provides a clear justification for an affected country to challenge New Zealand’s blanket restrictions on the importation of meat cuts from FMD-infected countries. This implication does not appear to have been taken into account by MAF.

MAF’s decision-making process in determining the new import health standard was the focus of NZPork’s case for judicial review, which was heard in Wellington’s High Court in August. As at the time of writing, the court has not yet released its decision.

NZPork remains open to a constructive outcome to this issue that would result in an import health standard which is acceptable to both Government and the industry.

Biosecurity science

MAF Biosecurity’s 2007’s ‘Biosecurity Science Strategy’ defines biosecurity science as “the science which underpins the biosecurity system and biosecurity decision making, and develops the knowledge and tools to undertake biosecurity related activities.”

In laying down its 25-year Strategy, the Government recognised that “Effectively managing the conflict between our need for trade and travel with our need to protect our natural environments and valued resources will only occur through planned application of innovative research, science and technology.” NZPork strongly agrees.

MAF’s Strategy emphasises the desired outcomes that “Science is used to achieve targeted intelligence based interventions due to a better understanding of ‘risk goods’ and the impact of future events and trends”, and that “Science is contributing to resolving the conflict between protecting our environment and allowing New Zealand to benefit from trade and tourism, and improving the credibility and robustness of New Zealand’s pest- and disease-free status.”

With relation to pig meat border standards to effectively manage the risk of PRRS, matters of continuing scientific debate are numerous, largely due to lacking or sparse data, and uncertainty. Unresolved scientific issues include how much virus is required to infect a pig, starting virus levels in pig meat, the extent to which virus loses its infectivity over time in meat, and the likelihood that successful infection of one pig would subsequently be transmitted to additional pigs or herds. In addition, there is ongoing debate relating to changes in the volume (and nature) of trade that will
occur as a result of changes to the import health standard, and the numbers, location, habits and behaviours of backyard pig owners (as they pertain to waste feed feeding practices).

Notwithstanding the admirable goals of its Biosecurity Science Strategy and the not insignificant annual funding (estimated at a total national investment of $37 million), to date, MAF has not initiated any primary research to provide science to fill crucial data gaps, but rather has followed a desk-based approach based on the sparse data available.

Investment in biosecurity science could be promoted through the Primary Growth Partnership, other existing, or new agricultural science funding vehicles. NZPork suggests that investment should be focused on better understanding biosecurity risk pathways, and the potential long term impacts of biosecurity incursions, and that it concentrate on addressing existing questions, particularly where they threaten New Zealand’s broader international perception of being free from disease.

**Compliance and enforcement**

Even world-leading biosecurity standards will do little to protect New Zealand if compliance is under-emphasised, and/or inadequate resourcing is applied to effectively enforcement.

NZPork has serious concerns around the ability to monitor and enforce compliance among New Zealand’s unknown number of non-commercial and para-commercial pig farms. In particular, the Biosecurity (Meat and Food Waste for Pigs) Regulations 2005 are a crucial set of regulations which we believe are critical to ensuring New Zealand’s porcine food chain remains free from diseases including PRRS and foot and mouth disease.

Additionally, there have been a number of situations where compliance issues have arisen with imported products, including the following:

- More than six tonnes of non-compliant pork product was imported from Korea (a high risk country) between August and December 2005, and sold at retail outlets throughout New Zealand;
- MAF did not identify PRRS infection in Sweden in 2007 until alerted by NZPork; and MAF’s systems did not identify the arrival of at least five potentially risky consignments of pig meat from Sweden following PRRS being identified in Sweden – it was NZPork who provided information to MAF; and
- Concern about non-compliant Canadian bacon being released into the New Zealand market was reported to MAF Enforcement in 2009, but its investigation appeared unable to locate the product. NZPork purchased the product (2010) and follow-up evaluation identified that the product was being incorrectly authorised in Canada.
The ongoing need for constant vigilance in regard to New Zealand’s border was once again demonstrated on 18 November 2011, as “Buzzy” Strawberry Mini Grow Kits were recalled due to concerns they could potentially introduce viral diseases to several horticultural crops.

NZPork is of the view that insufficient resources are allocated to compliance and enforcement by MAF. Recognising the National-led government’s emphasis from 2008 to 2011 on shifting public resources to support frontline services, NZPork requests that the incoming government take action to allow a greater level of biosecurity compliance and enforcement in future.

**Government Industry Agreements (GIA)**

NZPork remains confident that Government and primary industries can cooperate to jointly contribute to decision-making and resourcing in regard to biosecurity readiness activities and response. However, we stand by the statement in the ‘Better Biosecurity’ briefing paper of 18 December 2008 that “Industry needs to be confident in border policies and performance before it can contemplate sharing resources post border”.

We look forward to progressing discussions around GIA during the term of the incoming Parliament, but continue to hold a central concern that any agreement achieves an appropriate balance of biosecurity versus trade risk.

**Trade**

New Zealand pork producers compete with more than 700,000 kilograms of pork products imported each week, including fresh pork from places not impacted by PRRS. Pork exports are currently of negligible value, with the domestic demand more than exceeding local farmers’ ability to supply.

Although imports constitute approximately 45% of national pork consumption, consumer research shows that a majority of New Zealand consumers express a preference for buying locally-produced pork over imported products. The ready supply of imported pig meat has helped the retail price of pork to remain strongly competitive over the last twelve months, despite generally increasing food bills, and pork continues to be a highly cost-effective source of protein.

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World-wide demand for protein continues to increase. Prices of beef and lamb have risen driven by demand in export markets, and so pork represents a very cost competitive meat for New Zealand consumers, including those New Zealanders most at risk of limited food choice due to poverty. NZPork accepts the importation of pig meat that does not pose a biosecurity risk to our New Zealand pig herd. But we emphasise that such trade must be ‘safe’ so that the ability of New Zealand farmers to raise healthy animals able to compete for the domestic market is not undermined.
From a broader perspective, NZPork is also concerned at the impact that the proposal to relax border standards on pig meat may have. The policy of knowingly permitting risk material to enter into New Zealand, despite MAF’s acknowledgement of its inability to control its feeding to pigs sets a disturbing precedent. A highly visible disease incursion will impact on international perception of New Zealand as a high-quality producer of premium-quality primary foods, as pest or disease incursions in one sector can easily be interpreted by international markets as a sign that New Zealand’s broader biosecurity arrangements are untrustworthy.

As the National Party’s Primary Sector Policy noted, New Zealand’s terms of trade are the highest they’ve been for 40 years. NZPork believes that agriculture will continue to play a major role in securing New Zealand’s economic growth, as long as public policies cherish our very favourable health status which ensure our ability to farm and grow primary products, as well as our ability to trade in them.

**Conclusion**

New Zealand pork producers, processors, wholesalers, marketers and retailers share many concerns with the broader primary sector. However the nature of pork production, and our alarm at MAF’s proposal to expose the industry to a far greater risk of a devastating pig disease, underlines particular needs which we respectfully hope the incoming Government and the Minister for Primary Industries will consider when determining their policy priorities for the new Parliamentary term.

**How Government can help**

NZPork feels that little additional action from the incoming Government would be required for the achievement of most of its 2011-2015 Strategic Plan. Our dedicated farmers, processors, marketers and retailers are committed to “bringing home the bacon” for New Zealand families well into the future. However, this document outlines some significant areas of concern around biosecurity, and this is where we would like to focus the attention of the incoming Parliament.

Biosecurity will remain a major issue for New Zealand into the future, particularly as the primary sector works with MAF to scope the GIA concept. To pork producers, agreement that exotic disease risks are being effectively managed is critical to us having confidence to share resources for biosecurity readiness and response. This necessitates a broader focus to encompass border / pre-border standards, their compliance, and enforcement.

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Investment in biosecurity science would allow both Government and industry to better understand risk pathways and the potential impacts of biosecurity incursions. We hope that this would allow policies which reduce the risk of incursion to be implemented from a position of increased scientific certainty, and to identify opportunities for the mitigation or eradication of any pest or disease incursions which still occurred.

NZPork also suggests that MAF engages with industry to provide clarity and transparency around New Zealand’s acceptable level of biosecurity risk. More clarity would provide a better benchmark against which to measure, monitor and report on biosecurity performance, including the performance of front-line biosecurity efforts.

We seek the opportunity to contribute to the development of an analysis to underpin pig meat border standards that effectively manage the risk of exotic pests and diseases. We would welcome endorsement of this from the Minister.

Finally, NZPork believes that it is a duty of government to ensure that legislation and regulations are accompanied by a practical ability for relevant authorities to ensure compliance.

A MAF Enforcement review in 2008 noted MAF’s inability to effectively monitor compliance with the Biosecurity (Meat and Food Waste for Pigs) Regulations 2005 amongst non-commercial and para-commercial pig herds. To date there has been just one prosecution pertaining to these regulations. Once again we emphasise the very significant disease risk that this situation presents to New Zealand’s commercial pig herd, and given it is an acknowledged risk pathway for FMD, to New Zealand’s whole livestock sector, and thus New Zealand’s economic well-being.

In regard to New Zealand’s pig herd, this pathway is hypothesised to be the pathway for the introduction of post-weaning multi-systemic wasting syndrome (PMWS), and is a recognised pathway for a number of other currently exotic diseases including PRRS and classical swine fever. NZPork has and will continue to actively promote these regulations to its commercial producers, and to work with MAF to deter offenders. But the prime point of risk of disease introduction is acknowledged to lie with those pig owners outside of the commercial industry. It is abundantly clear that more effective regulation is required to minimise this recognised risk pathway, and this was endorsed as a high priority by a joint livestock industry – MAF working group reviewing New Zealand’s foot and mouth preparedness. It is very urgent.
For More Information

New Zealand Pork Industry Board
PO Box 4048
4th Floor, 94 Dixon Street
Wellington

Phone: +64 4 917 4750
Fax: +64 4 385 8522
Toll Free 0800 697 675 (NZPORK)

Websites www.pork.co.nz; www.nzpork.co.nz; www.pigfarminginnz.co.nz
Email info@pork.co.nz