

Submission from: Jane and Bruce Mackinnon, Hillcroft Mushrooms Hawkes Bay.

Submission in response to the consultation on new food labelling requirements 2020, regarding the exposure draft of the Consumer information Standards (Origin of Food 2019)

Our submission to the new regulations is primarily targeted at the food group Fungi. Our business has been involved in the cultivation of indigenous and exotic species of mushrooms for over 10 years for example: NZ hericium Pekepekekiore , NZ shiitake ,and exotic oyster and shiitake .

The inclusion of mushrooms in being grouped together with vegetables is misleading as they represent a separate kingdom from botanicals and as a result their growth cycles are not similar. The loophole currently being exploited at the expense of NZ local growers is that container loads of mature mushrooms growing logs are being imported into NZ .On arrival they are then put into fruiting conditions and the resulting fruitbodies (read mushrooms) are being marketed and sold as product of NZ. <https://www.rnz.co.nz/national/programmes/morningreport/audio/2018701176/nz-mushrooms-actually-from-china-farmer-warns>

The above link is from RNZ national programme morning report.

This loophole has existed in the USA for several years and has resulted in local businesses being undercut price wise and put out of business

: <http://tinyurl.com/y657v9lz>
(evidence below)

As we noted last month, Oakshire Mushroom has filed for Chapter 11 bankruptcy. According to The Packer, February 1, this was a direct result of business lost to shiitake harvested from inoculated blocks imported from China. The article quotes Gary Schroeder of the farm as saying: “There are so many layers of this that are just wrong, it’s astonishing. Here we have a product made in China, inoculated in China, predominately grown in China and mislabelled. And everybody is happily buying it because of the reduced cost and it’s legal, and I think that’s a problem in our industry. It’s all about price. That’s our world.” The Philadelphia Inquirer, January 28, quoted Dan Royse, Professor Emeritus at Penn State, as saying: “They’re clearly not U.S. grown. The regulations don’t make much sense to me. But the USDA says they’re OK because they’re classified as spawn. The logs actually are colonized substrate, they shouldn’t be allowed. The growers should get together to demand the USDA re-evaluate the criteria.” Several mushroom growers in Pennsylvania’s Chester County, have indicated that the practice is having a significant negative impact on their businesses. Now, Pennsylvania State Senators Andy Dinniman and Judy Schwank have asked the U.S. Department of Agriculture (USDA) to investigate reports that mushrooms labeled as “Product of the USA” are actually being grown from spawn and logs exported from China. Dinniman, who serves on the Pennsylvania Senate Agriculture and Rural Affairs Committee, and Schwank, who is the committee’s minority chair, sent a letter to U.S. Secretary of Agriculture Sonny Perdue asking the department to take a close look at the issue and re-evaluate its labeling criteria. “This situation is a clear example of an exploitation, or a ‘loophole’ in USDA labeling regulations. Pennsylvania mushroom farmers are a worldwide leader and we are home to the largest growers of specialty mushrooms, including shiitake, in the United States,” they wrote in the January 30th letter. They added, “Would you please look into this matter and direct our concerns to the appropriate personnel for a suggested re-evaluation of USDA labeling criteria? Any assistance your department can provide will be greatly appreciated. We will await your response.” Dinniman said he was concerned about the economic impact on local mushroom farms and related industries: “Mushroom farms are both a significant part of our heritage and vital part of our economy in Chester County and Pennsylvania. We must continue to support a strong mushroom industry and while ensuring that consumers have a right to know where exactly their food is coming from.” The January 30th letter is available at: <http://tinyurl.com/y657v9lz>

The Country of Origin labelling should apply to the mushrooms from these imported blocks:

A: because it was materially increased in size, or materially altered in substance in that country by natural development.

B: it germinated or otherwise arose in that country.

Please read/ the mushroom substrate blocks were produced in e.g. China using Chinese wood, water and nutrient supplements, the blocks are then inoculated with the fungal cultures i.e. shiitake fungi colonizes the growing substrate blocks for roughly 80 days. During this lengthy growing time all nutrients for the fruiting stage are derived from the original ingredients, influencing the final mushrooms , this is why all Chinese fruited mushrooms have traces of the heavy metals :arsenic mercury and lead despite extensive filtering and purification of ingredients.(see Massey University



Heavy Metal test
results.pdf

test results}

The blocks are fully colonized after 80 days they are then chilled in containers and exported, the blocks are unloaded at their destination and placed in a growing environment , the enclosing bags are stripped off stimulating the sexual fruiting stage of the fungi , the mushroom 7 to 8 days later.

See below image of frozen Chinese grow logs at an Auckland mushroom farm. This photo shows the imported chinese grow blocks that are fruited in NZ and sold to local markets as New Zealand locally grown shiitake. Their price drastically undercuts NZ local growers produce.



Shiitake mushroom logs thaw. They are shipped to Auckland, frozen, from China.

The product from these blocks are being marketed in competition with NZ grown product. There is at present no differentiation and the and the country of origin needs to apply to the imported mushrooms. Otherwise genuine NZ product using local culture, NZ water, NZ wood NZ wheat bran, NZ air will continue to be undercut price and quality wise to an unsuspecting NZ public.

Transparency in regard to Country of Origin labelling to these imported products will enable real NZ product to maintain a difference and inform customers of the true source of origin of the mushrooms they are buying.