

## Executive Summary

Cheese is an important component of the Canadian diet. Canadians are particularly interested in the nutritional value of cheese and other milk-based products and include them in the daily food choices for their families. Canadians expect Canadian cheese products to be consistent in taste and texture and to perform according to the characteristics of the cheese varieties they purchase. Canadians also appreciate the variety of cheese products on the Canadian market and rely on the safety and quality of these products.

CIAI, the Consumer Interest Alliance Inc., is a working coalition of members deeply concerned with consumer interests through cooperation, discussion and representation with other players in the Canadian economy. It has been established to fill the existing gaps in active, national grassroots-based consumer representation and research based submissions. CIAI's areas of interest include:

- Food and Agriculture
- Health as it relates to Food and Agriculture
- Environment as it relates to Food and Agriculture
- Standards - National and International

The Dairy Farmers of Canada (DFC) has commissioned CIAI to undertake a study on Cheese Standards and the Consumer Interest. The findings and results of the study are represented in this report. The particular interest of DFC and CIAI relates to consumer understanding of cheese, the current Canadian cheese standards, and their communication to consumers through labels and how they are and should be applied. In addition, the project was interested in determining whether there is consumer support for more standards and regulations for Canadian and imported cheese and cheese products or not.

The methodology used concentrated around consumer views solicited through a series of focus groups in different communities across Canada. A background research paper was produced that established the scientific and technical frameworks for the analysis. It documented the status of cheese composition and quality standards in Canada, the United States, the European Union and CODEX and looked at harmonization and the 'smart regulation initiative' to determine how Canada's standards for cheese compared to our largest trading partner, the United States. It also addressed issues surrounding the nutrition levels of cheese and population health and diets in which cheese plays a major role.

An in-store review of cheese product labels identified a wide divergence in ingredient descriptions with some meeting the current Government of Canada regulations while many others did not. Numerous examples were found where a product was labelled "cheese" but that was not made from dairy products.

The focus groups were organized by local consumer network volunteers with professional facilitators and recorders holding the sessions. To ensure both consistency in information sharing and gathering a facilitators' guide and a participant's book were produced. Questionnaires were added to allow for some quantitative analysis. The one-day sessions

were structured in a way that participants were able to respond to the questions with step-by-step increasing levels of knowledge of the issues involved. The findings from the focus groups were compiled and presented to a Volunteer Advisory Committee of consumer issues experts with expertise in nutrition and food as well as in Canadian standards systems selected for this particular project.

Recommendations were developed by the CIAI research team in consultation with the Advisory Committee and based on the result of the focus group consultation process.

The report is structured into three major sections:

- The Canadian regulatory system for cheese and cheese products and its place in comparison to the respective international systems;
- A discussion of issues and concerns with the current system, its implementation and the changes identified in certain areas through the research and the consultation process with consumers,
- Findings and recommendations as they emerged from the research and from the consumer focus groups and the Advisory Committee consultations.

Food standards are necessary to both consumers and food industry. They have been developed to maintain the composition and general quality of a large part of the Canadian food supply and to prevent economic fraud. Without standards, different foods could have the same names or the same foods could have different names. Both situations are confusing and misleading to consumers and create unfair competition.

Food *standards of identity* are standards of composition and establish the baseline specifications for quality requirements. Standards of identity define what a given food product is, its name, and the ingredients that must be used, or may be used in the manufacture of the food.

The composition of cheese is regulated by a regulatory system, first and foremost by the Food and Drug Regulations and the Dairy Product Regulations. The Food and Drugs Act Section 30 (1) provides for the statutory basis for prescribing the ingredients that may be used in production of food sold in Canada as well as the standards such food must meet.

The Food and Drugs Act and Regulations are major pieces of consumer protection legislation. The Food and Drugs Regulations cover essential composition and baseline quality factors to ensure that the consumer will not receive a product below a minimum acceptable standard and that *the nutritional quality is maintained*. Provisions concerning food additives and contaminants and hygiene are included for health and safety of consumers. Other regulations can be enacted but they must have higher quality standards.

Canadians have confidence in these standards and are relying on them to be consistent, monitored regularly and enforced as needed.

The Food and Drug Act and Regulations for cheese were compared with other regulatory systems applicable to cheese standards in Canada: the Canada Agricultural Products Act and the Dairy Products Regulations. The Canada Agricultural Products Act details Canadian

administrative regulations regarding the grading and marketing of agricultural products as they apply to import, export and inter-provincial trade. It defines “grade name” as a prescribed name, mark or designation of a category and includes a *standard* prescribed for an agricultural product. The Dairy Products Regulations detail the standards of the Canadian Dairy industry with regard to import, export and domestic trade. The regulations cover classification of grades, grade names, and product names for standardized products including cheese.

There are differences in the ingredients allowed between the Food and Drugs Regulations and the Dairy Products Regulations. These are discussed in their relevance to the consumer in the report.

Independent from these regulations and without a comparable regulatory basis, the National Dairy Code has been developed by a Federal Provincial Committee, established under the Integrated Canadian Food Inspection System. The National Dairy Code outlines best practices for production and processing of dairy products. The section of Cheese and Cheese Products provides for descriptions for cheeses. However, these descriptions and specifications are at serious variance with the Food and Drugs Regulations (and the Dairy Products Regulations). Consumers expressed their disapproval of any regulation or code that does not live up to the standards defined in the Food and Drug Regulations and presented detailed reasons for their views.

The Food and Drug Act provides for the enforcement of standards defined in regulations. The Canadian Food Inspection Agency is responsible for the enforcement of the provisions of the Food and Drugs Act (and Regulations) as it relates to food and the administration of the provisions of the Food and Drugs Act as they relate to food except those provision that relate to public health, safety or nutrition

Consumers are very clear about the importance of the Food and Drug Act and its Regulations when it comes to cheese and are conscious of the enforcement standards and mechanisms.

For consumers, compositional standards are essential in maintaining the nutritional integrity of major classes of food, such as cheese and cheese products. Composition of cheese and cheese products determines their nutrient composition and nutritional qualities. Standards of identity maintain nutrition profiles of food products.

The role of the Canadian Food Inspection Agency is clear to consumers. They rely on its monitoring and enforcement role and trust that the role is fulfilled according to the standards established by the Food and Drug Act and its Regulations.

The role of the Minister of Health and Health Canada was established in the same context: they are responsible for establishing policies and standards relating to the public health, safety and nutritional quality of food sold in Canada and assessing the effectiveness of the Agency's activities related to food safety.

Cheese products are of high nutritional quality and important food choices in the Canada's Food Guide to Healthy Eating. Cheese makes a very important contribution to the nutritional

well-being of Canadians. That contribution is even more important with the increased consumption of cheese and the decreased consumption of milk.

Studies in Canada and internationally, such as by the World Health Organization, have underlined the importance of the nutritional value of cheese and cheese products for population health. Milk and cheese made from milk have bioactive properties that enhance health. It is the milk itself, not the presence of specific nutrients in the milk and in products made from milk, which creates the beneficial effects of milk and products made from milk on health indicators. In the consumer responses, nutritional value was listed as the first reason for buying cheese.

For Canadians with dietary and certain health challenges, it is essential to maintain the nutritional equivalencies of cheese products to milk as these are frequent food choices for them. Canadians of vulnerable age groups, such as adolescents and seniors are relying on cheese products for their healthy diet.

Research of this project established that the composition of cheese has been changing in recent years. These changes are often not consistent with the regulations of the Food and Drug Regulations. The introduction of an inclusive term 'modified milk ingredients has raised concerns among consumers. The introduction of the term 'milk solids' (that have not been chemically altered) into the Dairy Products Regulations also caused concern. No information was available to explain what a 'milk solid' fitting the description might be. These ingredients are used in cheese without them being defined as to their components. Not only are such ingredients taken the first or a prominent place in the ingredient listing of non standard cheeses, they are being used in standard cheeses of named varieties. This is in clear contravention of the Food and Drug Regulations.

Consumers felt very strongly that changes in the composition of cheese should not be made unless documented evidence demonstrates that the changes will not negatively affect the bioactive components of milk and products made from milk, which in turn will impact the health of Canadians.

Information on the ingredients and the nutritional value of cheese products is provided through the labels. According to the relevant Food and Drug Regulations, certain standards apply as to required information, presentation and the veracity and accuracy. Practical, in-store research across Canada identified serious flaws with numerous labels for cheese, whether named variety or no-name products. Even cheese products from the same brand did not provide consistent information. It was discovered that many cheese products in the Canadian market place today fall short of the standards established by the various Government of Canada regulation. Inconsistencies between information on the front panel and the ingredient list also create confusion for the consumer. Some labels can only be described as deceptive and misleading the consumer.

During the focus group consultations participants were shocked when they studied and compared labels. They expressed serious disquiet concerning changes they had noticed in the performance of some cheeses and brand varieties that they were familiar with. The flavour and texture had markedly deteriorated and the cheese no longer performed according to the standard they were accustomed to, e.g. melting, browning, crumbling.

While the consumers consulted are not adverse to innovation and new products on the market, they expect that information about these products is clear and explicit. Changing the nutritional composition of components of a major class of foods without an aggressive consumer education program misleads consumers and jeopardizes the health of, in particular, vulnerable Canadians. If a new product does not meet the complete nutritional profile of cheese it should not be called cheese and should not be marketed in a manner that consumers would mistake it for cheese. Changes in specific ingredients used in cheese will limit choice for some consumers with specific metabolic or digestive problems.

Products on the market that do not meet the Food and Drugs Regulations for cheese have undermined the frame of reference for cheese in Canada's Food Guide to Healthy Eating. For consumers, any description of a product that contains the word "cheese" should be cheese made from milk. Processed cheese should be made from cheese as is in the current regulations. Focus group participants were adamant that products not made from dairy products should not be called "cheese".

The recommendations address the different aspects of the consumer consultation on cheese standards and the protection of consumers. Most forcefully, consumers insist that the Food and Drug Act and its Regulations are applied consistently and fully. The regulations need to be monitored and enforced by the Canadian Food Inspection Agency. Focus group participants rejected the section of the National Dairy Code on Cheese. In terms of quality control, consumers want to see increased quality standards and prefer the US and European standards to the current Canadian standards. Harmonization with US grade standards in this area would be good for consumers and for the industry. If quality indicators are not addressed there is the possibility of decreased consumption as consumers turn away from the use of Canadian cheese and cheese products to products that they can purchase with confidence because of quality control.