

# A Report from A Survey on Food Safety in Hunan Province of China

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## Abstract

Food safety is one of the most concerned topics in China. To find the situation in food safety and to reveal consumers' perception and their attitude about food safety, we conducted a survey in Hunan Province of China. We find that consumers pay a great concern to food safety issues. Food safety plays very important role in consumers' food choice. After a series of Special Projects by the Provincial Government, the situation of food safety is greatly improved. But there are still some problems such as high costs for protecting consumer rights, low level of food industry standards, simple instrument for inspecting unsafe food. And finally we suggest to rebuild business social responsibilities, to set more strict regulations and to take more efficient supervisions for food safety.

**Key Words:** Food Safety, Government's Supervision, Consumer Rights

Food safety is one of the most concerned topics in China for the public. It is also one of the most concerned topics in China for researchers. In some developed countries, food is relatively safer and thus many researchers study the regulations and management systems in developed countries, including government administrative system, food supply chain management system,

law and regulations system for food safety. They try to find the implications for China from the study and comparisons (Li, 2005; Wang, 2007; Lu, 2007; Zhang, 2008). Some researchers study food safety issues from the view of game theory, market failure, and information asymmetry (Zhou, 2004; Deng, 2006). Many researchers discuss food safety from the view of producers' behavior patterns, consumers' adverse selections, and consumers' and producers' responsibilities (Bai, 2005; Rong, 2006; Qiu, 2007).

We conducted a survey on food safety in Hunan Province and try to answer such questions as what the Chinese think about their food safety, whom they trust after some food safety incident, how to regulate the unsafe food producers and sellers, and also try to show the situation in food safety, to reveal consumer's perception, their attitude and their knowledge on food safety, to improve the supervision of government and to lead consumers into scientific and healthy consumption.

## 1 Situations of Food Safety in Hunan Province

Since the second half of 2007, several special projects on food safety were carried out by Hunan Provincial Government, such as "Food Safety and Product Quality Special Project", "2008 Food Safety Special Project" and "100 Day Food

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Safety Special Project for Olympic Games” and so on. As a result of the above Special Projects, the situation of food safety in Hunan Province has been greatly improved. For example, all the top 26 wholesale markets of agricultural products in large and medium cities of the province have been taken into the quality supervision system. 4796 food producing and processing enterprises have all been licensed. 6755 food workshops have signed contracts for food safety. 308 wholesale markets, 1343 farmers markets, 2158 department stores and 4869 supermarkets, which are above county town level, have set their invoice system from suppliers. All the meat in the markets, supermarkets and restaurants above county town level are from the certified slaughtering enterprises.

The qualified rate in sampling inspection rose. In the first half of 2008, 4032 groups of food products were sampled for inspection by industrial and commercial administrative department of the provincial government, which increased by 90% than that one year ago. In the sample, 3177 groups, about 79%, are up to standard, which is 25 percent more than that in the same period one year earlier. 4092 sellers were sampled and 3269 qualified.

More instant instruments for food inspection are used. In the 3<sup>rd</sup> season of 2008, there were 3425 people and 82 vehicles for inspection activities. The supervisors inspected about 6000 food market places, including 3393 farmers markets, 437 department stores, 1889 supermarkets and 282

other markets. In the project, the supervisors sampled 7855 groups of food. 7352 of them were up to standard while 480 groups, about 6.13% in the sample, were substandard. By the inspection project, the supervisors ruled 5334 kilograms of food products out of markets, which valued about 103 thousand RMB yuan and made penalties more than 151 thousand RMB yuan (Zhu & Li, 2009, p.149-151).

## 2 The Major Characteristics of Food Safety in Hunan Province.

In October 2008, we conducted a consumer survey on food safety in Hunan Province. 4000 questionnaires were sent out and 3652 (about 91.3%) returned. From the returned questionnaires we get some characteristics about the respondents as follows. 2564 of them are from urban households and 1088 from rural households. The female respondents are a little less than the male ones. Most of the respondents are under 40 years old and from 3 person households. Most of them completed senior secondary or higher education. There are 11.6% respondents with monthly food expenditure over 1500 yuan, 22.4% with monthly food expenditure from 1000 to 1500 yuan; 28.4% with monthly food expenditure from 500 to 1000 yuan; 23.1% from 300 to 500 yuan; 12.3% from 100 to 300 yuan and 2.2% under 100 yuan.

From the survey, we found some characteristics on food safety in Hunan Province.

1) Consumers pay great concern to food safety issues.

In the survey, we found that consumers pay great concern to food safety. The survey showed that 81.2 percent of the respondent concern food safety in their daily life, among them 37.3% chose strong concern. 43.9% chose concern. Only less than 2% chose no concern.

2) The effect of food safety is great.

From the survey, about 6.9% respondents answered that they have purchased “problem food products” frequently in shopping. 53 percent have purchased “problem food” less frequently. Only 2.9% answered they have never purchased “problem food”. We can find from the survey that most of respondents who have frequently purchased problem food products are from rural households, or urban households with monthly food expenditure under 300 yuan, who often purchase food in the curb night/morning markets. Most of respondents who have never purchased problem food products are those whose monthly food expenditure are over 1500 yuan and who purchase food mainly in large

supermarkets. We can see that food safety are closely related to the types of market places. We can also conclude from the survey that the large supermarkets are most safe and the convenience stores are less safe and the curb night/morning markets are least safe.

What is more serious we found in the survey that after have purchased problem food, only 7.1% of the problems in food safety were completely solved, 41% were partly solved, and 21.7% were not solved at all. Further analysis shows that most completely solved problems were purchased in the supermarkets and they were solved by complaining to the consumer society or media. So we can see that the problems on food safety, which are not well solved for a long time and greatly influence people’s lives, must be preferentially solved.

3) Food quality and food safety is one of the major determinants on food consumption.

From our survey, many consumers showed

Figure 1: whether have you purchased problem food product

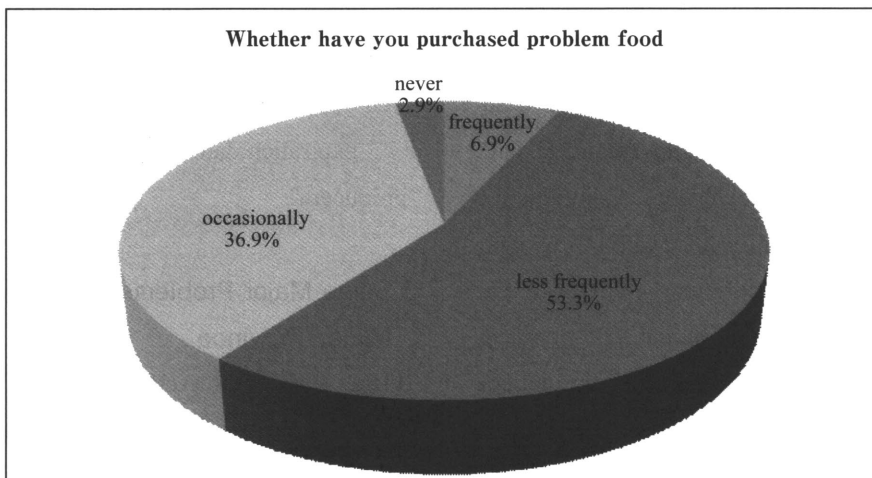
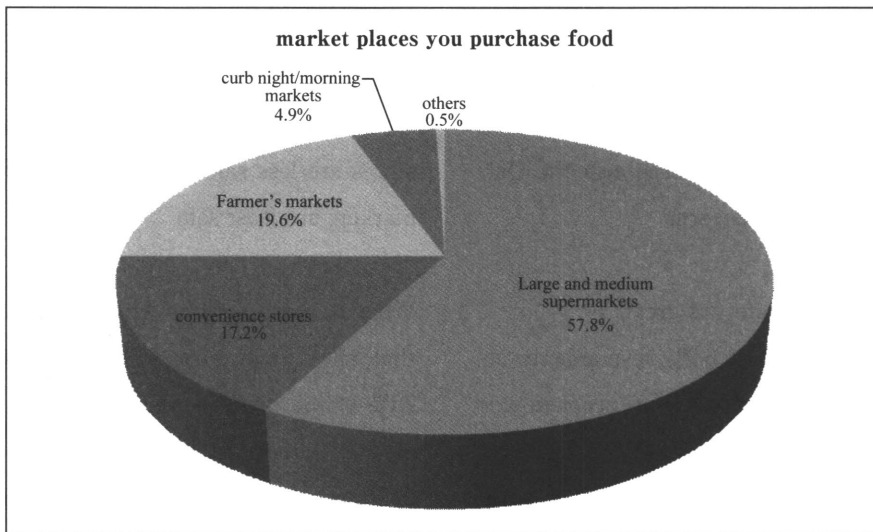


Figure 2: market places you purchase food



that they chose their food mainly according to the quality and safety instead of their price as before. They concern more and more the food safety when buying food.

4) More attention on keeping away from unsafe food products.

In such question as marketplace to buy food, 57 percent respondents answered the supermarkets as their first choice. It reveals that more and more consumers take self-protection for food safety.

In the figure, the large and medium-sized supermarkets indicate those supermarkets with size over 2500 square meters. Convenience stores mean the small self-service stores near residential areas. Farmers markets indicate the free markets for agricultural and food products. Curb night/morning markets mean the autonomously formed market places in communities or roadsides.

In such question as the way to avoid buying unsafe food, most respondents answered shopping in large supermarkets, buying those brands the government and supermarkets recommend, choosing some familiar brands, avoid buying the products on blacklist and so on.

5) Consumers are more rational

From the survey we can see that the consumers are more rational. For example, when answering such question as "what do you concern more in purchasing food", most respondents chose such options relevant to food safety as "quality", "expiration date" before they chose "prices", "producers".

### 3 Some Major Problems on Food Safety in Hunan Province

1) High costs of protecting consumer rights and low costs of producing and selling unsafe food. One of the most serious problems on food safety

in Hunan Province is the high cost for consumers and low cost for producers and sellers. For example, it is estimated that the cost of a very ordinary case for protecting consumer rights will be more than 500 RMB yuan, excluding such costs as lawyer fees, inspecting fees and time cost. In contrast to the high costs for consumers to protect their rights, the costs for unsafe food producers and sellers are very low. For example, according to the Food Hygiene Law of China, whoever, in violation of the provisions of this law, engages in food production or marketing without a hygiene license be subject to a fine from one to five times the amount of any illegal gains; if there are no illegal gains, a fine between 500 yuan and 30000 yuan shall be imposed. Many supervisors said that only 30000 yuan upper limit fine is too low and in practice the fine is usually much lower than the upper limit.

2) High level of consumers' requirement and low level of food industry standards.

Our survey shows that the consumers in Hunan Province have a high level requirement with zero-risk for food safety. But the standards in food industry are relatively low. For example, only about 23 percent food safety standards in China are taken from the international standards. But about 44.2 percent of all standards in China are taken from the international standards. In contrast, as early as 1980's, in many developed countries such as Britain, France, Germany, 80 percent of standards for agricultural primary products were taken from the international standards. And now some of the standards are much

higher than the international ones.

3) High tech for producing and selling unsafe food but relatively poor instruments for inspecting them.

Many unsafe food producers and sellers have various high tech equipments and methods for production and sale. It becomes more and more difficult to inspect and find unsafe food. But the inspection institutions have no enough instruments to inspect the unsafe food. The staffs for inspection are also not enough.

#### 4 Some Policy Suggestions

From the survey we see that a great progress has been made in food safety in the past few years. But there are still many problems to be solved. We propose some policy suggestions as follows.

1) Rebuilding business social responsibilities.

It means that an enterprise must shoulder the social responsibility for employees, society and environment while pursuing profits. Many food safety incidents happened in recent years, including Sanlu milk powder scandal, appear to be such problems as product quality, but they really reflect that the producers and sellers ignore the social responsibility while pursuing profits. To rebuild business social responsibilities we should strengthen social responsibility from inside the firms on the one hand, and should set more strict regulations and supervisions on the other hand.

Premier Wen Jiabao said at a luncheon held in

his honor on September 23, 2008 in New York that for an entrepreneur or an economist, the blood of ethics should run in their veins. And for enterprise or the economy, usually people are very familiar with the visible elements, like the company itself, the technology, the product and its management. People may not notice the things behind these elements, like the philosophy, the ethics and the responsibility. Only when we combine the two kinds of different elements can we actually establish the DNA of the economy and the corporation. It means that if an enterprise only pursues its profits without establishing its basic business ethics and taking some social responsibilities, it will be unsustainable. To establish a social responsibility system, it needs to establish a set of regulations and norms for the behavior of enterprisers and employees so that they know what they can do and what they can't and realize that if they go against the business social responsibilities, it will hurt the society, their enterprises, and themselves.

#### 2) Establishing the strict regulations of public management

For enterprises to have the shifts from economic agents to social citizens, from profit pursuers to contributors for society, it needs to set strict regulations of public management which can enforce enterprises taking the business social responsibilities. To do so a strict regulation system by the government, the law, and the industry must be set up so that enterprises will see that they have to be less competitive if they refuse to take business social responsibilities and they will

be punished if they hurt consumers' interests. Under such external rigid restraints enterprises will not take the risk for their short run interests at the cost of their long run interests.

#### 3) Enhancing the role of industrial associations and strengthening the industry self-discipline.

Industrial associations play a very important role in market economy. It can regularize the behavior of an enterprise in the industry by setting criteria, standards, institutions, penalties and so on. But such industrial associations are not fully developed in Hunan Province. It is necessary to set up the industrial associations with important role in regularizing, supervising and serving enterprises.

#### 4) Strengthening the government's supervision and improving the supervision system for food safety.

In many developed countries there is perfect food safety supervision system from farmland to table. We should make sure that food safety is government's primary responsibility and try to establish efficient food safety supervision system. We also suggest that we should greatly increase the costs of producing and selling unsafe food products. At the same time we should reduce the costs for consumers to protect their rights. For example, the inspecting fees should be much lower or even free for consumers and establish some public organization to help consumers in their right protection.

#### 5) Ensuring the supervision by public opinions.

It needs to ensure the role of media in social supervision and in business social responsibilities, such as praising the enterprises with the business social responsibilities and exposing those enterprises who produce and sell unsafe food, tracking the key cases on food safety incidents and so on.

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