

**NATIONAL ASSEMBLY QUESTION FOR WRITTEN REPLY**

**1749. Ms E R Wilson (DA) to ask the President of the Republic:**

1. Whether he has been informed about any jobs that have been lost in the meat processing industry and across the value chain since the Minister of Health announced the source of the listeriosis outbreak; if so,

(2) whether he (a) has directed and/or (b) will direct any interventions to ensure that further job losses are prevented; if not, in each case, why not; if so, what are the relevant details in each case? NW1906E

**REPLY:**

1. The listeriosis outbreak has had a considerable economic impact across the meat processing industry. According to the South African Meat Processing Association (SAMPA), there has been a fall in demand since the outbreak. The listeriosis outbreak, and the announcement of the recall of products that was made on 4 March 2018, was a response to the number of fatalities directly attributable to the outbreak of listeriosis. Once the source of the outbreak had been ascertained, government was bound to issue a recall notice under the provisions of the National Consumer Commission, in the interests of public health.

The Department of Trade and Industry has undertaken a preliminary investigation into the economic and employment effects of the outbreak, which will be followed by a more in-depth study across the value chain.

An interim evaluation suggests that the pork industry is the hardest hit with a decrease in demand for processed meat of 75%, the demand for pork cold cuts decreased by 50% and profits by 40%.

The immediate impact, according to information on record, is that two processing plants and one abattoir have closed down. Approximately 2,000 jobs have been lost.

In the informal market, traders selling ready-made or prepared food have been negatively affected. While there was an initial decrease in sales by these vendors, many have since recovered by excluding processed meat or ensuring they do not procure products from the manufacturers identified as the centre of the outbreak.

1. The following interventions are directed at curbing further job losses and assisting the affected companies:
2. The Department of Trade and Industry, in collaboration with other relevant departments, has been directed to undertake a full investigation of the impact of the listeriosis outbreak and its further effects across the value chain.
3. In keeping with standard operating procedure communicated to the industry, companies in distress are advised to apply for assistance to the Department of Trade and Industry under the Agro-processing Incentive, and to the Industrial Development Corporation (IDC). Applications will be dealt with on a case by case basis, according to the merits of each application, and support will be provided as and where appropriate.
4. To ensure the requisite high levels of health and safety, government has put in place a process to establish a Food Safety Agency and attendant regulatory framework.

Government has intervened to secure public safety and the longer term sustainability of the sector, which must rest on an optimal health and safety regulatory framework and appropriate enforcement by government.