

10 February 2020

Competition and Consumer Policy
Ministry of Business, Innovation, and Employment
P O Box 1473
WLLINGTON 6140
consumer@mbie.govt.nz

Exposure Draft: Consumer Information Standards (Origin of Food) Regulations 2019

This submission is made on behalf of the Foodstuffs group of companies including Foodstuffs North Island Limited, Foodstuffs South Island Limited, and Foodstuffs (Own Brands) Limited. Foodstuffs (NZ) Limited acts as the Federation headquarters for the group and coordinates matters of national policy including input into public policy consultations.

The regional Foodstuffs companies are retailer-owned co-operatives that own and franchise supermarkets and grocery stores to members under the Foodstuffs trademarked brand names: New World, PAK'nSAVE, Four Square, and On the Spot. The two regional companies also have wholesale operations servicing the non-member trade, using the Gilmours and Trents brands. Foodstuffs (Own Brands) manages the national private label range comprising more than 1500 food products under a range of brands, but primarily Pams and Value.

Foodstuffs was the first national retailer to adopt country of origin labelling on a voluntary basis, which occurred in 2008.

Our responses to the various proposals are set out below:

Meaning of regulated food

The drafting in clause 5 would be enhanced, and greater clarity provided, if the following words were added to the end of 5(2)(i) "contains no other ingredients or additives, and..."

This proposed change would make the words in brackets in 5(2)(ii) redundant. The current wording, including the words “but would otherwise be fresh” is ambiguous and does not clearly communicate the intent to capture only single ingredient foods.

Meaning of “fresh” and “minimally processed”

We have reviewed the table on page 10 of the consultation document and agree the terms are clearly defined. The intention of providing this level of detail is helpful.

Disclosure of the origin of food by reference to where it was grown

We are pleased that the regulations will permit the addition of a subnational region on a voluntary basis e.g. product of California, USA.

We are comfortable with the proposal to include more than one country of origin in circumstances where this would be appropriate e.g. animals born in one country and then raised and/or finished in another. We anticipate this would very much be the exception except for cured pork, where it is quite common. Suppliers may be better able to comment on the practicalities of tracing the origin of an animal or plant to its point of birth.

Seafood suppliers are best placed to comment on the practicality of the proposals relating to seafood.

How information must be disclosed

We believe it is imperative for the disclosures to be made in English, with the option of Te Reo Maori as a voluntary addition. All product information mandated by the Joint Food Code is required to be stated in English and the country of origin requirements should align.

We agree that the regulations should allow flexibility to make a statement that is truthful while catering to all the various possibilities that may occur.

We are concerned that a six-month timeframe may be insufficient to implement systems to support the disclosure of country of origin information in all external advertising, e.g. mailers or circulars, magazines, and newspapers, and on-line, especially when it is unclear exactly when the regulations will be finalised and gazetted and thus the date they will take effect. The proposed timeframe is also likely to be challenging for the suppliers of cured pork products. Obviously, we cannot begin to design these systems until the final shape of the regulations is clear. We would prefer a longer timeframe to implement the regulations if possible.

Disclosure for a change in origin by time of supply

The proposals appear reasonably pragmatic. We note that in cases where stock on hand is soured from more than one country of origin, it will be necessary to list all possible sources as well as the statement that supply is subject to change, as acknowledged in the consultation document later on.

Disclosure if origin differs between stores

The proposals are pragmatic.

Disclosure if origin differs between or within items of food

We understand that pork for bacon is sourced from as many as a dozen countries and frequently changes due to supply and other factors, including health import standards. As it is impractical to change out packaging with every change of supply, multiple possible sources of origin will probably need to be declared. Additionally, pork raised in one country is often slaughtered in a neighbouring one e.g. pigs raised in Italy being slaughtered in France. In response to these conflating issues, it would be helpful to be able to state a region of origin rather than the specific country e.g. "processed in New Zealand using pork raised in Europe or North America."

Additionally, the lead-time on introducing country of origin labelling for cured pork products i.e. six months, is very short. The lead-time for artwork changes and printing of film is around 14-16 weeks which allows very little time for implementation. Film also has minimum order quantities, so it is common to order up to a year's supply in one go. A six-month implementation timeframe is likely to result in the dumping of film with cost and environmental implications. On this basis we believe there is a case to extend the timeframe for implementation of country of origin labelling for cured pork products.

Yours sincerely

Melissa Hodd

General Manger Government Relations