

# **Submission**

By

**Business|NZ**

To

**Food Standards Australia New Zealand**

On

**Initial Assessment Report  
Proposal P292  
Country of Origin Labelling for Food**

**21 July 2004**

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**COUNTRY OF ORIGIN LABELLING FOR FOOD (PROPOSAL P292)**  
**SUBMISSION BY BUSINESS NEW ZEALAND**  
**21 JULY 2004**

**1. INTRODUCTION**

- 1.1 Encompassing four regional business organisations (Employers' & Manufacturers' Association (Northern), Employers' & Manufacturers' Association (Central), Canterbury Employers' Chamber of Commerce, and the Otago-Southland Employers' Association), Business New Zealand is New Zealand's largest business advocacy body. Together with its 56-member Affiliated Industries Group (AIG), which comprises most of New Zealand's national industry associations, Business New Zealand is able to tap into the views of over 76,000 employers and businesses, ranging from the smallest to the largest and reflecting the make-up of the New Zealand economy.
- 1.2 In addition to advocacy on behalf of enterprise, Business New Zealand contributes to Governmental and tripartite working parties and international bodies including the ILO, the International Organisation of Employers and the Business and Industry Advisory Council to the OECD.
- 1.3 Business New Zealand's key goal is the implementation of policies that would see New Zealand retain a first world national income and regain a place in the top ten of the OECD (a high comparative OECD growth ranking is the most robust indicator of a country's ability to deliver quality health, education, superannuation and other social services). It is widely acknowledged that consistent, sustainable growth well in excess of 4% per capita per year would be required to achieve this goal in the medium term.
- 1.4 The health of the economy also determines the ability of a nation to deliver on the social and environmental outcomes desired by all. First class social services and a clean and healthy environment are possible only in prosperous, first world economies.
- 1.5 It is important that the regulatory environment protects public health and safety, enables consumers to make informed choices, and minimises misleading or deceptive conduct. However, it is also very important that the same regulatory environment facilitates trade, fosters efficiency and competitiveness. It should not impose unreasonable compliance costs.
- 1.6 Business New Zealand welcomes the opportunity to provide comment to Food Standards Australia New Zealand (FSANZ) on country of origin labelling. We submit that there is no sound case for mandatory country of origin labelling, on the following grounds:
  - Mandatory country of origin labelling is unlikely to improve public health and safety beyond what is already provided under existing food safety standards.
  - New Zealand already has in place satisfactory regulatory (e.g., food safety) and market-led mechanisms (e.g., the Buy New Zealand Made Campaign) to provide sufficient product information to consumers.

- New Zealand already has in place sufficient recourse in the event of conduct that is misleading or deceptive (e.g., the generic Fair Trading Act).
- We can find little evidence of a strong broad-based consumer demand for mandatory country of origin labelling.
- Mandatory country of origin labelling is likely to add unjustifiable costs for many food producers and thereby harm the efficiency and competitiveness of the food industry.

1.7 Therefore, Business New Zealand recommends that there should be **no mandatory country of origin labelling** in Standard 1.1A.3 of the *Australia New Zealand Food Standards Code*. We submit that in New Zealand, country of origin labelling should continue to be enforced under the Fair Trading Act 1986.

1.8 Business New Zealand has discussed this issue with Federated Farmers and Food and Grocery Council. We understand that both will be submitting that there should be no mandatory country origin labeling for food. Business New Zealand supports their respective positions.