# Country-of-origin labelling Updated: 09 Mar 2009

# Kiwis want origin labelling



The Chinese milk scandal, contaminated oysters from Korea, BSE in UK beef - imported food is now more scrutinised than ever. But it isn't mandatory to label the country of origin on food products (apart from wine).

A 2007 survey showed that 35 percent of Kiwis always or often considered whether a product was New Zealand made. More than 50 percent said they'd be prepared to pay more for a Kiwi-made product (provided it was as good as the overseas version).

Last year the Green Party gathered 39,000 signatures on a petition calling for the government to review its opposition to country-of-origin labelling on single-ingredient foods and fresh produce.

# Why don't we have it?

The government, the New Zealand Food Safety Authority, and big export players Fonterra, and Meat & Wool New Zealand are against compulsory country-of-origin labelling. These groups believe our voluntary system, backed by the Fair Trading Act, is a better option. They have six arguments for this.

# 1. Not a public health and safety issue

Imported high-risk food (such as some cheeses, seafood and tahini) is checked at the border. These foods are known to have a higher risk of containing pathogens, toxins or other nasties. They are only released on to the market if they have supporting government assurances about their safety and satisfactory test results.

# Our view on this:

We acknowledge that labelling isn't a public health and safety issue. But consumers have a right to labelling information, so they can make an informed choice. Product safety isn't the only issue here - supporting local producers and the local economy, avoiding certain countries for ethical reasons, and safeguarding against questionable quality control in some countries are all important.

### 2. Cost

Some manufacturers claim they will need systems for tracking where ingredients come from and will also have to change their labels. Regulation comes with compliance and enforcement costs. Industry says these costs will be passed on to consumers.

#### Our view on this:

- We think most of the consumer demand for country-of-origin labelling is on whole or single-ingredient foods and manufacturers already have systems for knowing where these foods come from or they should have. Origin labelling will be a change to the Food Standards Code, which requires a transition period for amendments to it. So any label changes wouldn't take effect immediately and companies could print new labels as their stocks ran out.
- In the past, companies have been quick enough to change labels when they see a marketing advantage from the change. This is not new territory: other industries, such as clothing and footwear, have coped with mandatory labelling requirements of various kinds.

# 3. Multi-ingredient products are a problem

Providing detailed information on multi-ingredient products is difficult and expensive. The origin of ingredients may also change depending on the season and availability. Products labelled "Made in New Zealand from local and imported ingredients" don't help consumers make an informed choice.

#### Our view on this:

 Multi-ingredient products do pose a problem, but the focus of a compulsory labelling regime should be on whole foods or single-ingredient products. This is where most of the concerns have been raised.

# 4. Industry is already playing its part

After pressure from consumers, Progressive Enterprises (which owns Countdown, Foodtown and Woolworths) and Foodstuffs (which owns Pak 'N Save, New World, Write Price, Shoprite, and Four Square stores) announced they would voluntarily label the country of origin on all fresh fruit, vegetables, meat and seafood.

# Our view on this:

 Voluntary labelling is a step in the right direction. But our examples earlier in this article show the need for regulation and monitoring.

# 5. It may affect our trade

Industry groups such as Fonterra and Meat & Wool New Zealand say we need as much flexibility as we can for marketing our food. New Zealand is also reliant on imported ingredient foods for use in processed foods. Compulsory labelling may reduce the availability of some ingredients.

# Our view on this:

- Several of our major trading partners require some country-of-origin labelling. So it's hard to
  argue that country-of-origin labelling in New Zealand will affect our trading relationships with
  these countries.
- Last year the US introduced mandatory requirements for foods such as meat, fresh fruits and vegetables - and this was on top of its requirements for other whole foods. The European Union requires origin labelling on (for example) beef, fruit, vegetables and honey. In Canada fresh fruit and vegetables must be labelled.
- For fresh produce such as fish, pork and fruit and vegetables on sale in Australia, the food display must have a label or a sign that identifies the country of origin. Australia also requires this for products that have undergone some form of processing (such as the tomatoes in a jar of sun-dried tomatoes).

- New Zealand has a joint Food Standards Code with Australia. However, our government opted out of the standard for country-of-origin labelling. At the very least Kiwi consumers should have the same information as Australian consumers.
- Not all industry groups oppose compulsory labelling. Horticulture New Zealand has spear-headed a country-of-origin campaign with the support of New Zealand Pork and other groups (see "CoOL NZ"). These groups believe origin labelling can be used as a marketing tool and they encourage their members to do this.

# 6. Consumers expect to buy produce all year round

High-tech packaging, modern transport, storage methods and clever growing practices mean we can now buy almost any fruit and vegetable all year round.

#### Our view on this:

 Imported fruit and vegetables usually lack flavour and texture. This is because they're picked before they ripen (to allow for the extra time in transporting the product to another country); they don't get the tree ripening that allows sugar levels and flavours to develop. Non-seasonal imported produce is often expensive as well.

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