

To: Primary Production Select Committee
select.committees@parliament.govt.nz

Submission on:

Consumers' Right to Know (Country of Origin of Food Bill)

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Submitter:
Mark Ross
Chief Executive
Agcarm
PO Box 5069
Wellington 6145

Phone: 04 499 4225
Email: mark.ross@agcarm.co.nz

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1. Introduction

- 1.1 Agcarm welcomes the opportunity to comment on the Consumers' Right to Know (Country of Origin of Food) Bill "the Bill".
- 1.2 Although the Bill is not directly applicable to Agcarm, some of the comments in the Explanatory note around food safety as a reason for introducing are pertinent. For example, concerns about the use of treatments on imported produce, or the potential residues of pesticides and other contaminants in imported food.
- 1.3 Based on feedback from members we are supportive of the Country of Origin concept. However, we submit that given this is a Private Members Bill vs a Government Bill, further work on the actual Bill is required prior to progressing.
- 1.4 Agcarm wishes to appear before the Select Committee if oral hearings are required.

2. Recommendation

- 2.1 That the Bill is supported based on the assurance that:
 - The Bill is rewritten to focus only on single component food, or is rewritten to further clarify how the country of origin for multi-component food will be managed.
 - A specific definition of point of sale labelling or signage is provided.
 - The implementation of Country of Origin labelling will not lead to food cost increases. This would involve carrying out a Cost/Benefit analysis.
 - Explanation as to how enforcement of the rules will take place, and who will actually enforce the rules. This is not clear.
 - The consumer will continue to have choice, and is not having to pay extra for something that doesn't add value.
 - A Bill of this kind is supported by the Ministry of Foreign Affairs, and is not seen as a trade barrier to other nations.

3. Discussion

- 3.1 As consumers ourselves, Agcarm members can understand why New Zealanders are concerned about the source of food that we buy. Knowing the Country of Origin would provide some degree of certainty as to the origin of the food. On this point, Agcarm supports the concept of the Bill as a means of placing more rigour for imported food to be labelled as to its origin.
- 3.2 In supporting the Bill, Agcarm raises a number of points that need further consideration prior to the Bill progressing from Select Committee.
- 3.3 Much of the food imported into New Zealand is processed and/or made up of many different ingredients that originate from multiple countries. For example, processed food can include a variety of additives, such as grains, sugars, and preservatives. Some of the additives may be genetically modified, or treated with substances that are banned. It is uncertain from the Bill how such imports will be treated as to ensuring that labelling or signage is provided that is 'cheap and easy to supply'.
- 3.4 Agcarm submits that it would be more efficient to focus the Bill on single component food such as fresh fruit and vegetables. Or, listing the dominant component, e.g. with imported wine the origin of the grapes could be provided.

- 3.5 The requirement for labelling needs to be better defined, as per Part 2 requirements for statements on labels. There could be a wide interpretation of what is obligatory, which would make compliance and enforcement difficult.
- 3.6 Some of the feedback from members raised concerns that Country of Origin labelling would likely add costs to the imported food. This could potentially make some products non-viable to import to New Zealand, thus reducing our choice.
- 3.7 The additional cost factor for the labelling requirements may also be viewed by some countries as a tariff, and could lead to trade repercussions for exported New Zealand products. On this note it would be good to know that the Ministry of Foreign Affairs is supportive of the Bill, and can provide reassurance that no trade barriers will result from its implementation.
- 3.8 With other Bills, such as the Animal Welfare Act and the Biosecurity Act, it is clearly specified who the enforcement officers are, and how they are managed. As it reads this Bill provides no clear outline as to who will enforce the legislation, and how it will be enforced. Agcarm submits that this needs to be spelled out prior to the legislation progressing from Select Committee.
- 3.9 It was noted that given the rigour of the New Zealand food production regulatory systems around treatment approvals and food hygiene, it would be prudent if imported food was subject to the same rigorous testing. However, knowing where the food comes from is very unlikely to provide any additional useful information on food safety or quality.
- 3.10 On a final point it would be worthwhile carrying out a cost/benefit analysis, prior to the Bill progressing. This would highlight the likelihood of any significant problems to the Government, consumers, importers and exporters, with implementation of the Bill.

4. About Agcarm

Agcarm is the industry association for manufacturers and suppliers of crop protection and animal health products. For further information and a full list of our 55 member companies see www.agcarm.co.nz.

The products that our members produce protect public health, improve animal welfare and help environmental management. In addition, Agcarm members:

- Play a pivotal role in growing high yield, sustainable food and fibre products;
- Help supply healthy, nutritional and affordable food;
- Keep New Zealand's agriculture, horticulture and forestry sectors internationally competitive.

Our members are committed to safety, innovation and product stewardship.