



18<sup>th</sup> May 2017

To the Committee Secretariat, Primary Production Committee

Parliament Building

**Wellington**

Primary.Production@parliament.govt.nz

Online:

**Re: Submission on Consumers' Right to Know (Country of Origin of Food) Bill**

### **Submission**

The submission is from the NZ Federation of Business and Professional Women Inc (BPW NZ).

### **Our Organisation**

The International Federation of Business and Professional Women is a global organisation with representatives in over 100 countries, including BPW NZ. Our organisation's aims are to link professional and business women throughout the world so that they may provide support to each other, lobby for change and to promote the ongoing advancement of women and girls. We work for equal opportunities and status for all women in economic, civil and political life and the removal of discrimination in all countries. We promote our aims and organise our operating structure without distinction as to race, language or religion.

BPW NZ believes that a most optimal and democratic marketplace exists when consumers are well informed. Implementing legislation that enforces Country of Origin Labelling (COOL), means buyers will be able to make decisions to purchase from particular countries or avoid certain countries, for ethical, political or environmental reasons. Our organisation has supported this for over ten years.

### **BPW NEW ZEALAND**

AFFILIATED TO THE INTERNATIONAL FEDERATION OF BUSINESS & PROFESSIONAL WOMEN

✉ PO Box 28326, Remuera, Auckland 1541, New Zealand

✉ [svp@bpwnz.org.nz](mailto:svp@bpwnz.org.nz)   [twitter.com/nzfedbpw](https://twitter.com/nzfedbpw)   [facebook.com/bpwnz](https://facebook.com/bpwnz)   [bpwnz.org.nz](https://bpwnz.org.nz)



**BPW NZ policy 19.6.2. (2005) states that members shall:**

- Lobby the government to ensure that all meat or meat products on sale in New Zealand carry a label showing the country of origin.

**In addition, BPW NZ policy 19.6.3 (2007):**

- Urges the Minister of Food Safety to introduce mandatory country of origin labelling on all food products.

For the above reasons, this submission is in support of the proposed Consumers' Right to Know (Country of Origin of Food) Bill.

**Country of Origin Labelling**

BPW NZ considered this draft legislation from a number of perspectives, considering not just consumers, but New Zealand producers and retailers and our World Trade Organisation (WTO) commitments.

1. New Zealand consumers, producers and retailers: a recent Horticulture NZ and Consumer NZ survey found 71 percent of shoppers believe COOL should be mandatory for fruit and vegetables and that when they look, they only find COOL on fruit and vegetables a third of the time. There is a clear stated preference for the practice and this is supported by the Government's decision to support the Bill as well as industry associations such as Pork NZ and Beef and Lamb New Zealand, who already voluntarily provide country of origin information on their products.

It is useful to note that 80 per cent of the products this legislation will impact already have COOL. Foodstuffs (owners of PaknSave, New World and Four Square) have had COOL requirements for single ingredient product items since 2007. The fact that single ingredient origin labelling is a standard practice for producers and retailers means the feasibility of this Bill is unquestionable and it is simply ensuring consistency across the marketplace.

*BPW NZ supports this bill because a) it means our consumers are better informed, b) it is supported by New Zealander shoppers, producers and retailers; and c) it is highly feasible and encourages equitable practices across the marketplace.*

2. International trade commitments: New Zealand is a Party to the World Trade Organisation's (WTO) Agreement on Technical Barriers to Trade (TBT). The agreement contains obligations which seek to ensure that government policy does not create unnecessary obstacles to trade. This includes Article 2.1 (national treatment – technical regulations), 2.2 (not more trade-restrictive than necessary) and 2.4 (international standards).

**BPW NEW ZEALAND**

AFFILIATED TO THE INTERNATIONAL FEDERATION OF BUSINESS & PROFESSIONAL WOMEN

✉ PO Box 28326, Remuera, Auckland 1541, New Zealand

✉ [svp@bpwnz.org.nz](mailto:svp@bpwnz.org.nz)   [twitter.com/nzfedbpw](https://twitter.com/nzfedbpw)   [facebook.com/bpwnz](https://facebook.com/bpwnz)   [bpwnz.org.nz](https://bpwnz.org.nz)



New Zealand is also a signatory of the General Agreement on Trade and Tariffs 1994 (GATT); it's objective is to "achieve a substantial reduction in tariffs and to create a mechanism for the implementation and protection of tariff concessions negotiated between the signatories in order to ensure further liberalisation and expansion of global trade".

There are presently two WTO disputes relating to country of origin labelling, brought by Canada and Mexico respectively against the United States. In the case of DS386 (Mexico) regarding favoritism of products from domestic markets, WTO findings state that the US was:

*"according less favourable treatment to imported Mexican cattle than to like domestic products. The Panel also found that the COOL measure does not fulfil its legitimate objective of providing consumers with information on origin"*

This confirms that should COOL be applied fairly between domestic and international products and have the objective of providing consumers with information on origin, the WTO accepts the policy.

*BPW NZ believes the proposed Bill meets the WTO requirements of being applied fairly and having the objective of providing consumers with information on origin, therefore we find that the legislation does not impact our WTO commitments.*

3. New Zealand produce: In 2015, Beef + Lamb New Zealand advised that consumer research found 89% of international consumers consider country of origin when buying beef. Primary industry exports make up 78% of New Zealand's exports, 16% of national employment, and 10% of GDP. This is a significant part of our economic wellbeing.

COOL, with regard to international trade, puts the onus on producers and retailers to ensure the quality of their product is proven, in order to compete in international markets. Country of origin national bias, in which consumers have a preference for domestic products, is a proven phenomenon. However, New Zealand, with its strong international brand and quality products, can compete with or overcome local bias.

In addition, all of our main trading partners have mandatory COOL for some or all of fruits and vegetables (Australia, the European Union, China, Japan, the United Kingdom and USA). In addition, Australia, the European Union and USA have mandatory COOL for meat. That COOL is already in place in our partner markets puts us at a disadvantage locally - our export products must overcome national bias, but some imported products in New Zealand do not.

*BPW NZ supports this Bill because it will benefit our products and businesses internationally and locally.*

Thank you for the opportunity to speak to our submission and we hope that our comments are of use to you.

**BPW NEW ZEALAND**

AFFILIATED TO THE INTERNATIONAL FEDERATION OF BUSINESS & PROFESSIONAL WOMEN

PO Box 28326, Remuera, Auckland 1541, New Zealand

✉ [svp@bpwnz.org.nz](mailto:svp@bpwnz.org.nz)   [twitter.com/nzfedbpw](https://twitter.com/nzfedbpw)   [facebook.com/bpwnz](https://facebook.com/bpwnz)   [bpwnz.org.nz](https://bpwnz.org.nz)



Thank you for the opportunity to speak to our submission and we hope that our comments are of use to you.

On behalf of

**New Zealand Federation of Business and professional Women Inc.**

**Hellen Swales**

**President**

**Janet Gibb**

**Vice President, Issues**

**BPW NEW ZEALAND**

AFFILIATED TO THE INTERNATIONAL FEDERATION OF BUSINESS & PROFESSIONAL WOMEN

✉ PO Box 28326, Remuera, Auckland 1541, New Zealand

✉ [svp@bpwnz.org.nz](mailto:svp@bpwnz.org.nz)   [twitter.com/nzfedbpw](https://twitter.com/nzfedbpw)   [facebook.com/bpwnz](https://facebook.com/bpwnz)   [bpwnz.org.nz](https://bpwnz.org.nz)