



12 May 2023

Consumer Policy
Resources and Markets
Ministry of Business Innovation & Employment
Wellington
NEW ZEALAND

Email: consumer@mbie.govt.nz

Dear Sir/Madam

The New Zealand Food & Grocery Council (NZFGC) welcomes the opportunity to comment on the consultation paper for Draft Consumer Information Standards (Unit Pricing for Grocery Products) Regulations 2023.

NZFGC represents the major manufacturers and suppliers of food, beverage and grocery products in New Zealand. This sector generates over \$40 billion in the New Zealand domestic retail food, beverage and grocery products market, and over \$34 billion in export revenue from exports to 195 countries – representing 65% of total good and services exports. Food and beverage manufacturing is the largest manufacturing sector in New Zealand, representing 45% of total manufacturing income. Our members directly or indirectly employ more than 493,000 people – one in five of the workforce.

NZFGC is pleased to see the progress being made on implementing the recommendations of the Commerce Commission's Market Study released in March 2022. We note the outcomes sought by developing these regulations as advised in MBIE's Discussion Paper on Mandatory Unit Pricing were a) Legibility and clarity: The required information should be prominently displayed in a manner that can be easily seen and read, including by consumers who have impaired vision or reduced mobility; b) Consistency of units of measure: The unit pricing for a particular product category should be uniformly and consistently expressed in the same unit of measure; and c) Accuracy: The required information should be accurate and should be displayed accurately.

We have reviewed the Draft Consumer Information Standards (Unit Pricing for Grocery Products) Regulations 2023 and considered the questions included in the submission template. NZFGC is supportive of the regulations as drafted. We believe they strike the appropriate balance between being prescriptive and allowing for flexibility. We have considered whether the outcomes sought originally in the discussion document will be achieved and are confident that consumers will find the resulting unit pricing to be legible and clear, consistent and accurate.

One specific comment we would make pertains to regulation 8 where it states the unit price must be “in a font size no less than 25 per cent of the font size in which the product’s purchase price is displayed”. We suggest consideration be given to whether there is a minimum font size that would ensure legibility for shoppers with poor sight, particularly when products are low down and people need to bend down to read the unit price.

The mandatory pricing regime will go a long way to providing consumers the opportunity to compare the attributes of the range of products in a category conveniently and with confidence. It is important to our members that when their products are retailed by independent retailers this is done in a way that presents the products clearly and fairly to the end consumer. We note the price the consumer pays is the retailer’s decision but that the way it is presented has been found to be confusing and at times frustrating to consumers who need and deserve to be able to make comparisons quickly and easily. This is particularly important when facing escalating cost of living challenges and a range of product attributes to consider including sustainability of packaging, health star rating, country of origin to name a few.

We look forward to the introduction of the regulations and seeing them take effect on supermarket shelves throughout New Zealand Aotearoa to the benefit of consumers.

Yours faithfully



Raewyn Bleakley
Chief Executive