

# **PRODUCT OF CANADA' LABELING REGULATIONS**

**Resolution Initiated by the Delta Chamber of Commerce**

**Approved by the BC Chamber of Commerce**

May 22, 2008 - May 25, 2008 Whistler, BC

Agriculture has a long history and strong tradition in British Columbia. The high quality farmland for soil-based farming and our greenhouse industry produces some of the best produce in Canada.

One area of concern for the farming community and the consumer is the area of food product labeling. There is a need for clarification of wording on packaging of produce and other food products to clarify where a product is manufactured and where products (food and drink) originate. These concerns are also prevalent in the manufacturing industry. Material is often brought into Canada and repackaged with a minor change and then labeled as Product of Canada.

The "Product of Canada" regulation for all food and drinks, from the mid-1980s, allows companies that incur 51 per cent of production costs in Canada to have a "Product of Canada" tag.

We must provide the opportunity for the processor as well as the consumer to buy local and Canadian products and support the viability of farmers and Canadian food production and Canadian Manufacturers. Labeling is a critical factor in allowing this process to begin. There is a need for transparency and clarification in food product labeling.

Consumers interpret "Product of Canada" as referring to the origin of the content of the food or manufactured product whereas the regulations on "Product of Canada" relate to the place where the product has the greatest percentage of costs incurred during manufacture even if the material being manufactured may have a very small change but has mainly been repackaged.

We are becoming increasingly aware that what we eat is a critical determinant of our health.

That holds true for our young people and now, more and more, for the aging Canadian population which needs to make health-conscious decisions towards preventative healthcare in this era of rapidly rising healthcare costs.

We are also aware that the manufacturing industry is also suffering and that many companies have stretched the credibility of the "Product of Canada" claims.

The Federal Government's Guide to "Made in Canada" claims states:

1. Each claim or representation in a promotional statement must be accurate.
2. Each claim or representation must be evaluated in its entirety in order to establish whether the representation imparts a general impression that the article has been manufactured in whole or in part in Canada.
3. Avoid using terms or pictorials that may cause the ordinary person to be uncertain

about where the goods are actually made.

The “Made in Canada” guide also includes “Product of Canada” and “Made in Canada” as phrases covered by the guide.

#### THE CHAMBER RECOMMENDS

Resolve the confusion in the marketplace by urgently working to correct “Product of Canada” regulations and that the existing rules be specifically changed to state where the product originates or is manufactured. The rules should be enforced.

#### SUBMITTED BY THE DELTA CHAMBER OF COMMERCE

The Policy Review Committee supports this resolution