DRAFT FOR CONSULTATION

Consumer Information Standards (Unit Pricing for Grocery Products) Regulations 2023

Governor-General

Order in Council

At Wellington this	day of	2023

Present: in Council

These regulations are made under section 27 of the Fair Trading Act 1986—

- (a) on the advice and with the consent of the Executive Council; and
- (b) on the recommendation of the Minister of Commerce and Consumer Affairs made in accordance with that section.

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Regulations

1 Title

These regulations are the Consumer Information Standards (Unit Pricing for Grocery Products) Regulations 2023.

2 Commencement

These regulations come into force [12 months after regulations are made — date to be inserted].

3 Interpretation

(1) In these regulations, unless the context otherwise requires,—

product means each individual item, or package, of goods (for example, a watermelon or a package of toilet rolls) (*see also* subclause (2))

regulated grocery product is defined in regulation 5

sell includes to offer for sale

unit price, in relation to a product, means the price (including GST) for the product per unit of measurement.

(2) For the purposes of these regulations, each item usually sold as a pair (for example, a pair of gloves or a pair of shoes) is treated as an individual item.

4 Transitional, savings, and related provisions

The transitional, savings, and related provisions (if any) set out in Schedule 1 have effect according to their terms.

5 Regulated grocery product

- (1) A product is a **regulated grocery product** if it is sold—
 - (a) online by a person who sells goods in all of the product categories in subclause (2) to consumers; or
 - (b) at a store—
 - (i) at which goods in all of the product categories in subclause (2) are sold to consumers; and
 - (ii) that has a floor space of 1,000 square metres or more; or
 - (c) at a store—
 - (i) at which goods in all of the product categories in subclause (2) are sold to consumers; and
 - (ii) that has a floor space of less than 1,000 square metres; and
 - (iii) at which a unit price is displayed for any product (other than a product that is sold by weight or measure and is not prepackaged when it is offered for sale).

- (2) The product categories are—
 - (a) bread:
 - (b) dairy products:
 - (c) eggs or egg products:
 - (d) fruit:
 - (e) vegetables:
 - (f) meat:
 - (g) fish:
 - (h) rice:
 - (i) sugar:
 - (j) manufacturer-packaged food:
 - (k) medicine (excluding prescription medicine).
- (3) However, the following are not **regulated grocery products**:
 - (a) an alcoholic beverage:
 - (b) a tobacco product or vaping product (both as defined in section 2(1) of the Smokefree Environments and Regulated Products Act 1990):
 - (c) a product that—
 - (i) is an individual item (not a package of items); and
 - (ii) is not sold by volume, weight, length, or area:

Example

A toothbrush, a light bulb, or a pair of gloves.

(d) a product that is part of a bundle of different products that are sold for a single price:

Example

A toothbrush, toothpaste, and dental floss being sold together as a bundle.

(e) a product that is one of a number of different products that are sold for the same price (regardless of any differences in volume, weight, length, area, or number of items in a package) and for which that price is displayed as applying to all of those products:

Example

All products on a particular display shelf being sold for the same price (despite being different sizes or different kinds of products) and for which the price is displayed as "Everything on this shelf \$3".

- (f) a product that—
 - (i) is sold at a reduced price because—

- (A) its packaging is damaged; or
- (B) it is perishable and may deteriorate if it is not used by a particular date; or
- (C) it is being discontinued; and
- (ii) has the reduced price displayed on it (for example, by sticker):
- (g) a meal, snack, or beverage prepared at a store for immediate consumption
- (4) In this regulation,—

floor space means the continuous internal floor area of a store (other than any area provided for the consumption of food)

online includes on an Internet site or an online application.

6 Unit price must be displayed

- (1) If the purchase price of a regulated grocery product is displayed in a store or online where the product is sold, or in any advertisement for the product, the unit price for the product must also be displayed.
- (2) The unit price for a product must be—
 - (a) worked out in accordance with regulation 7; and
 - (b) displayed in the way required by regulation 8.
- (3) This regulation is subject to regulation 9.

7 Unit of measurement for unit price

(1) The unit price of a product in a category listed in the following table must be worked out using the unit of measurement set out in the table, unless the product is covered by subclause (2):

Type of regulated grocery product	Unit of measurement
A product sold by volume	Per 100 millilitres
A product sold by weight	Per 100 grams
A product sold by length	Per metre
A product sold by area	Per square metre
A product sold by number of items, if displayed price is for 40 or fewer items	Per item
A product sold by number of items if displayed price is	Per 100 items

A product sold by number of items if displayed price is Per 100 items for more than 40 items

(2) The unit price of a product in a category listed in the following table must be worked out using the unit of measurement set out in the table:

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Category Unit of measurement
Beverages Per litre

- (3) For the purposes of this regulation, if a product is sold in packaging,—
 - (a) the product is sold by way of the measurement type displayed on its packaging; but
 - (b) if the product's packaging displays 2 or more measurement types, the product is sold by way of the measurement type by which products of that kind are most commonly sold to consumers.
- (4) The unit price for a product must be worked out to the nearest 1 cent (with 0.5 cents rounded upwards).
- (5) In this regulation, **measurement type** means volume, weight, length, area, or number.

8 How unit price must be displayed

- (1) The unit price of a product must be displayed—
 - (a) using numerals and a dollar sign; and
 - (b) if the unit price is \$1.00 or more, in dollars and cents; and
 - (c) if the unit price is less than \$1.00, either in dollars and cents or in cents;
 - (d) using the unit of measurement required by regulation 7.
- (2) If the required unit of measurement for a product is per item, the type of item may be referred to in the unit price (for example, "per nappy").
- (3) The unit price must be displayed—
 - (a) clearly and legibly; and
 - (b) in a font size no less than 25 per cent of the font size in which the product's purchase price is displayed; and
 - (c) prominently, and in close proximity to the purchase price displayed for the product, so that its connection to the product is clear.

9 Unit price not required for video or audio advertisement

If a regulated grocery product is advertised for sale using a video or audio medium, the unit price is not required to be displayed in the advertisement.

Schedule 1 Transitional, savings, and related provisions

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Part 1 Provisions relating to these regulations as made

There are no transitional, savings, or related provisions in these regulations as made.

Clerk of the Executive Council.

Explanatory note

This note is not part of the regulations, but is intended to indicate their general effect. These regulations are made under section 27 of the Fair Trading Act 1986 and come into force on [12 months after regulations are made — date to be inserted].

Section 27 of the Fair Trading Act 1986 allows regulations to prescribe consumer information standards for goods. The regulations may require the disclosure of information relating to the price of goods and may specify the form and manner in which the information must be disclosed.

These regulations require unit prices to be displayed for the products described in regulation 5. Regulation 7 sets out the units of measurement that must be used, and regulation δ sets out how the unit price must be displayed.

Issued under the authority of the Legislation Act 2019.

Date of notification in Gazette:

These regulations are administered by the Ministry of Business, Innovation, and Employment.