2023/185



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

Cindy Kiro, Governor-General

# **Order in Council**

At Wellington this 31st day of July 2023

#### Present:

Her Excellency the Governor-General 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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# Transitional, savings, and related provisions

### Regulations

# 1 Title

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

# 2 Commencement

These regulations come into force on 31 August 2023.

#### 3 Application

These regulations apply on and after,----

- (a) in relation to a product that is sold online, 31 August 2025; and
- (b) in relation to any other product, 31 August 2024.

#### 4 Interpretation

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

**floor space** means the internal floor area of a store that is used for retail sale purposes and is open to consumers (other than any area provided for the consumption of food)

online includes on an Internet site or an online application

**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 6

sold includes offered for sale

**unit price**, in relation to a product, means the purchase 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 dish-washing gloves) is treated as an individual item.

# 5 Transitional, savings, and related provisions

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

# Regulated grocery products

#### 6 Regulated grocery product

#### (1) A product is a regulated grocery product if it is sold—

(a) online by a person who sells online goods in all of the product categories in subclause (3) to consumers; or

### (b) at a store—

- (i) at which goods in all of the product categories in subclause (3) are sold to consumers; and
- (ii) that has a floor space of 1,000 square metres or more.

# (2) A product is also a **regulated grocery product** if—

- (a) it is sold at a store—
  - (i) at which goods in all of the product categories in subclause (3) are sold to consumers; and
  - (ii) that has a floor space of less than 1,000 square metres; and
- (b) a unit price is displayed for the product in the store.
- (3) 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.
- (4) However, a product is not a **regulated grocery product** if regulations 7 to 9 say it is not.

#### 7 Not regulated grocery products—types of products

A product is not a regulated grocery product if it is in any of the following classes:

(a) alcoholic beverages:

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(b)	tobacco products and vaping products (both as defined in section 2(1) the Smokefree Environments and Regulated Products Act 1990):
(c)	meals, snacks, and beverages prepared at a store for immediate consumption:
(d)	books, magazines, and stationery:
(e)	flowers (including fresh, dried, and imitation flowers):
(f)	clothing, jewellery, and other fashion items (other than make-up):
(g)	household appliances and kitchen and bathroom utensils:
(h)	toys:
(i)	sports and camping equipment:
(j)	haberdashery:
(k)	manchester:
(1)	furniture:
(m)	home décor items:
(n)	computer, audiovisual, and telecommunications equipment and supplie
(0)	audio and video recordings (in any media) and data storage devices:
(p)	electrical items (other than batteries and light bulbs):
(q)	photographic items and equipment:
(r)	hardware:
(s)	garden and pool items (including tools, equipment, maintenance su plies, and decorations):
(t)	vehicle and bicycle maintenance or repair items.
Not	regulated grocery products—manner of sale
Аp	roduct is not a regulated grocery product if—
(a)	it is sold as an individual item (not a package of 2 or more items); and
(b)	it is not sold by volume, weight, length, or area.
	<b>mple</b> othbrush or a light bulb.
A p	roduct is not a regulated grocery product if it is part of a bundle of differe ducts being sold for a single purchase price.

# Example

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

(3) A product is not a regulated grocery product if it is one of a number of different products that are sold for the same purchase price (regardless of any differen-

ces 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".

- (4) A product is not a regulated grocery product if it sold from a vending machine.
- (5) A product is not a regulated grocery product if—
  - (a) it is sold at a reduced purchase price because—
    - (i) its packaging is damaged; or
    - (ii) it is perishable and may deteriorate if not used by a particular date; or
    - (iii) it is being discontinued; and
  - (b) it has the reduced purchase price displayed on it (for example, by sticker).

# 9 Not regulated grocery products—when seller or store meets criteria for first time

- (1) A product is not a regulated grocery product if it is sold—
  - (a) by an online seller who—
    - (i) becomes a person of a kind described in regulation 6(1)(a) for the first time on or after 31 August 2025; and
    - (ii) has been a person of that kind for a total of less than 12 months since 31 August 2025; or
  - (b) at a store that—
    - becomes a store of a kind described in regulation 6(1)(b) or (2) for the first time on or after 31 August 2024; and
    - (ii) has been a store of that kind for a total of less than 12 months since 31 August 2024.
- (2) To avoid doubt,—
  - (a) a person who met the description in regulation 6(1)(a) before 31 August 2025 was, at that time, a person of a kind described that paragraph; and
  - (b) a store that met the description in regulation 6(1)(b) or (2) before 31 August 2024 was, at that time, a store of a kind described in that paragraph or subclause,—

even though, at that time, these regulations had not been made or commenced.

#### Unit pricing requirements

#### 10 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 an advertisement for the product, the unit price for the product must also be displayed.
- (2) The unit price for a product must be—
  - (a) calculated in accordance with regulation 11; and
  - (b) displayed in the way required by regulation 12.
- (3) However, a unit price need not be displayed if regulation 13 or 14 says it is not required.

#### 11 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 purchase price is for 40 or fewer items	Per item
A product sold by number of items, if displayed purchase price is for more than 40 items	Per 100 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:

Category	Unit of measurement
Meat or seafood sold by weight	Per kilogram
Fruit or vegetables sold by weight	Per kilogram
Herbs, spices, powdered sauces, or powdered stocks	Per 10 grams
Flavouring essences or food colouring	Per 10 millilitres
Beverages	Per litre
Nappies	Per nappy
Pet products (other than food) sold by weight	Per kilogram
Pet products (other than food) sold by volume	Per litre
Toilet paper and paper towels with perforated sheets	Per 100 sheets

- (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 calculated to the nearest cent (with 0.5 cents rounded upwards).
- (5) In this regulation, **measurement type** means volume, weight, length, area, or number.

#### 12 How unit price must be displayed

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- (1) The unit price of a product must be displayed—
  - (a) using numerals and a dollar sign (subject to paragraph (c)); 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; and
  - (d) using the unit of measurement required by regulation 11.
- (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 teabag" in a pack of teabags).
- (3) The unit price must be displayed—
  - (a) clearly and legibly; and
  - (b) in a font size no less than 25% 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.

#### 13 Unit price not required for non-monetary purchase price

(1) A unit price need not be displayed in relation to a purchase price that is wholly or partly in a non-monetary form (such as loyalty points).

#### Example

If a product's purchase price is \$10 and 5 loyalty points, a unit price is not required.

(2) If 2 purchase prices are displayed for a product, one that is wholly monetary and one that is wholly or partly in a non-monetary form, subclause (1) only applies to the latter.

#### Example

If a product's purchase price is "\$25 or \$10 and 5 loyalty points", a unit price is required for the \$25 price, but not for the \$10 and 5 loyalty points price.

(3) Subclause (1) does not apply to a purchase price that is a wholly monetary price but limited to a particular class of persons.

#### Example

If a product's purchase price is "\$30, or \$25 for club members", unit prices are required for both the \$30 and \$25 purchase prices.

#### 14 Unit price not required in video or audio advertisement

- (1) A unit price need not be displayed in an audio or video advertisement.
- (2) A **video advertisement** means an advertisement that uses visual images produced electronically and shown as a moving picture.

# 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.

Rachel Hayward, 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.

That section 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 certain grocery products.

The regulations come into force on 31 August 2023 but apply on and after 31 August 2024 for goods sold in physical stores and 31 August 2025 for goods sold online.

#### Online and large stores

The requirement for unit pricing applies for online sellers and stores with floor space of  $1,000m^2$  or more if they sell goods in all of the product categories listed in *regulation* 6(3).

Those retailers must display the unit price of all of their regulated grocery products alongside the purchase price where the product is sold and in any advertisement for the product. The regulations set out the units of measurements for unit prices and how the unit price must be displayed.

However, unit prices are not required for products covered by *regulations 7 and 8* or if the purchase price is wholly or partly in a non-monetary form (such as loyalty points). There is also a 12-month grace period for new stores or online sellers.

#### Small stores

Stores that sell products in all of the product categories listed in *regulation* 6(3) but have less than  $1,000m^2$  of floor space are not required to display unit prices. But if they choose to display a unit price for any regulated grocery products, it must be dis-

played both in store and in advertisements, and it must be determined and displayed in accordance with the regulations.

The regulations do not apply to stores that do not sell products in all of the product categories in listed in *regulation* 6(3).

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