



August 13, 2004

The Hon. Andy Mitchell
Minister of Agriculture and Agri-Food
9th Floor, Sir John Carling Building
930 Carling Avenue
Ottawa, Ontario
K1A 0C5

Dear Minister:

This is to congratulate you on your appointment as Minister of Agriculture and Agri-Food Canada. We represent a significant part of Canada's food processing industry. Our associations and member companies work closely with your Department and the Canadian Food Inspection Agency on many policy and regulatory matters and we look forward to working with you in your new responsibilities. We particularly support food product labelling that is truthful and not misleading.

There is one issue regarding a regulatory initiative by the CFIA we want to bring to your attention for immediate review. It needs to be addressed before there is a serious and detrimental impact on efforts to provide meaningful food labelling information to Canadian consumers. It has become increasingly apparent that for more than a year and a half the CFIA has been pursuing a significant new labelling regime, involving Highlighted Ingredients, and flavours and sensory characteristics for food products apparently at the behest of one stakeholder.

Several years ago the Dairy Farmers of Canada (DFC) began to complain that current federal labelling regulations are not adequate for protecting dairy products. In response, the CFIA in January 2003 launched consultations on a labelling regime which would be applied to all types of ingredients and foods. Since then, our associations and members and many other industry groups have expressed concerns with the proposals and the Agency's continued drive toward developing these new labels. In fact, this regulatory initiative would appear to be inconsistent with the *Government of Canada Regulatory Policy*. Our concerns are that the CFIA:

- has not demonstrated its contention that they do not have sufficient tools to enforce existing packaging and labelling legislation.

- has not provided evidence of the extent of the enforcement problem they are basing their proposals on and represents their proposals as replicating consumer labelling requirements in other jurisdictions like the U.S. and E.U. which is not accurate.
- does not recognize the benefits to Canadian consumers of Canada's existing labelling regime and the new nutrition labelling requirements developed by Health Canada and that our industry is now in the process of introducing into the marketplace. These regulations are the culmination of many years of consultation by Health Canada and the food industry to develop a labelling system that will enhance consumers' knowledge about the foods available to them.
- has not demonstrated that the benefits outweigh the costs to Canadians, governments and businesses, adverse impacts on the economy are minimized and no unnecessary regulatory burden is imposed.

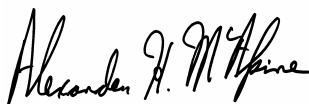
Despite our extensive efforts to consult with the Agency and detail our concerns, the CFIA continues with the initiative. On July 20th, a CFIA Vice-President reported to the DFC's annual meeting in Moncton, NB that current regulations are not effective, and that the highlighting ingredient labelling is a high priority to bring Canada in line with similar regulations already in the U.S. and elsewhere.

Our industries believe that this initiative could result in a new and complex regulatory regime for a very wide array of food products that will be potentially confusing to consumers. We are very concerned about these proposed and unnecessary changes to labelling practices in Canada. Therefore, we wish to review together with you at your earliest convenience this important matter.

Yours sincerely,



Paul Hetherington,
President & CEO,
Baking Association of Canada



Alexander McAlpine,
President,
Coffee Association of Canada



John Rowsome, President,
Confectionery Manufacturers
Association of Canada



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