



Economy Report - 2017

New Zealand

Report developed/approved by Davis White

Position Legal Metrology Advisor (Acting)

Organisation Ministry of Business, Innovation and Employment

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SECTION 1 - Organisation and structure for metrology

Organisation Structures

	Legal Metrology	Scientific Metrology
Organisation	Ministry of Business, Innovation and Employment	<u>Callaghan Innovation</u>
Business Unit	Trading Standards	Measurement Standards Laboratory
Manager	Stephen O'Brien	Fleur Francois
Location(s)	Head Office – Wellington Primary Laboratory – Auckland Secondary Laboratories – Wellington & Christchurch	Wellington

Other relevant organisations:

- •Ministry for Primary Industries Food Hygiene, increase sustainable resource use, and to protect New Zealand from biological risk
- •Ministry of Transport Taxi meters
- •Ministry of Health Electronic Cigarettes
- •Commerce Commission Fair trading and consumer protection
- Maritime NZ Maritime safety (SOLAS)
- Medsafe Medical Devices
- Electricity Authority Electric vehicle charging stations
- •NZ Customs Service Border control and the collection of duties and taxes on imports to the country

Legislative Frameworks

Primary Legislation - Weights and Measures Act 1987 Secondary Legislation - Weights and Measures Regulations 1999

Legislative changes – updates to the Weights and Measures Act

Minor updates to the Weights and Measures Act have been proposed to improve operation and capture. It is not expected to have major impact on the operation of legal metrology but will ensure that terminology and language is contemporary. For example the updates will include the relatively new trading practise in New Zealand where traders either hire or lease a weighing or measuring instrument for trade use instead of purchasing. The update will include situations where the instrument hired or leased is found to be non-compliant.

Also, as part of continuous improvement and ensuring the legislation is fit for purpose, a number of amendments are in the process of being proposed. Two areas of legal metrology have been highlighted:

- 1. Sales of non-approved weighing instruments, and
- 2. Updates to the Accreditation Scheme (3rd party verifiers), administered by MBIE Trading Standards.

Both of the aforementioned areas of legal metrology would benefit from an amendment as the marketplace has changed significantly since the signing of the Act in 1987 and the launch of the Accreditation Scheme in 1991.

International arrangements and engagement

Trans-Tasman Connections

In March 2017, Trading Standards attended the National Measurement Institute (NMI) Trade Measurement Services Management Strategic Planning Meeting and met with the Legal Metrology leadership team at the National Measurement Institute, Australia.

The meetings aimed to solidify relations between the legal metrology enforcements bodies and help coordinate activities and agree the formulation of sharing resources and completing joint projects on mutual enforcement issues, both current and emerging.

Technical Advisor represents NZ at OIML

Two meetings and a seminar were held between 13th and 16th June 2017 in Shanghai, China, by OIML to discuss and review the new single OIML Certification System (OIML-CS) and the current Mutual Acceptance Arrangements (MAA).

APLMF Training

New Zealand representatives from Trading Standards administered two training courses on behalf of the APLMF Secretariat as part of the Metrology Enabling Developing Economies in Asia (MEDEA) work programme. The first was held in Sepang, Malaysia, from 18th to 21st July 2017 on the 'Traceability of Rice Moisture Measurement'. The second was held between 26th & 29th September 2017 in Beijing, Peoples Republic of China and was a joint training course in association with MEDEA on the 'Verification of Weighbridges'.

OIML Annual Meeting

Trading Standards will represent New Zealand's Legal Metrology interests and fulfil international commitments at a number of events in Cartagena de Indias, Columbia:

- 1. Seminar on new International Organisation of Legal Metrology Single Certification System (OIML-CS) on 9th October 2017;
- 2. OIML Regional Legal Metrology Bodies Round Table {RLMO} meeting -to represent the Asia-Pacific Legal Metrology Forum on 9th October 2017; and

3. 52nd OIML International Committee of Legal Metrology (CIML) meeting from 10th to 12th October 2017.

SECTION 2 - Key activities of 2016/17

Working with industry

Packed poultry products

After Trading Standards (TS) had dialogue with the Poultry Industry of New Zealand last year, where consensus could not be attained regarding whether or not the fluid that has exuded from the poultry after it has been packed forms part of the net quantity statement, TS developed and released a guidance document to the industry outlining the test methods that would be employed by an Inspector when completing destructive testing.

Subsequently a project was completed during June and July 2017, which involved Inspectors' completing 97 test purchases of poultry products. The samples were then destructive tested, which revealed that goods packed to a constant net quantity were 94% complaint and goods packed to catch weight were 21% compliant.

It has been determined that the high level of non-compliance with the catch weight goods is a result of the statement of net quantity being applied at the retail level; instead of at the point of packing. This then creates two potential issues:

- 1. The retailer cannot accurately ascertain and apply an accurate tare weight, and
- 2. The time and environmental conditions between packing and the product being exposed for sale/sold may be uncontrolled; allowing the poultry to exude fluid into the soaker pad, which forms part of the packing material, reducing the stated net quantity.

Trading Standards maintain our position that this fluid exuded is not considered meat and should therefore not be included in the net quantity statement.

Trading Standards has been in consultation with the industry association, who represent the major poultry manufacturers in New Zealand, since the beginning and have aimed to seek voluntary compliance. However, the association is continuing to maintain an opposing position.

As a result of the project Trading Standards are currently considering the appropriate enforcement action to take with the aim of the industry association taking the lead nationally. However, if an amicable solution to the issue cannot be agreed with the industry association localised action will be taken to achieve legislative compliance.

Engaging with industry associations

Trading Standards continue to engage with industry associations to provide advice on legal matters and disseminate information and news to their members. A recent example of this is a meeting with

representatives of the fresh produce industry to discuss compliance with weights and measure legislation, specifically packaged goods; fresh fruit and vegetables.

United Fresh New Zealand Incorporated, an organisation that represents over 90 organisations involved in the fresh produce industry, approached Trading Standards to consult with them on the development of a guidance document / industry standard, which will specifically cover compliance with weights and measures legislation. It is envisaged that this document will be completed and enacted by the end of 2017.

Protecting consumers

Ministry of Transport (MOT) changes how taxis operate in New Zealand

The MOT have changed the Land Transport Act 1998 to introduce new rules for taxis, shuttles, private hire and app-based services with 12 seats or less (including the driver).

The basis of the changes is to create 'simple rules for all', which will accommodate the recent changes in the industry; with the influx in app based passenger services being a primary factor.

Trading Standards held a meeting with the MOT policy makers and presented the internationally recognised system for approving taxi meters, verifying them and also highlighted the potential for consumers to be disadvantaged if the taxi meter could not be relied upon for accurately recording the fair. However, the new rules only stipulate that "a small passenger service operator must ensure that any distance/time meter used to calculate a fare in a vehicle used in a small passenger service is accurate".

Some of the key points of interest include:

- Small passenger service vehicles will no longer be required to be branded, display signage or braille, or use a meter to calculate the fare. More detailed information for passengers can be found on our website in the section titled I need to hire a ride.
- Entities that operate or facilitate a service that connects drivers with passengers must hold a Small Passenger Service Licence. This includes organisations that regularly and systematically connect tourists with a shuttle service, taxi or other SPS. Some of these operators may not have held a licence in the past.

The details of the changes are available on the NZ Transport Agency website (www.nzta.govt.nz/passenger-services-news) and come into effect on 1st October 2017.

Major projects - What we did and what we learned

Development of e-learning modules for Accredited Persons

Trading Standards is in the process of developing bespoke online training modules for Accredited Persons (approved 3rd party verifiers) and Trading Standards Officers. The modules will contain an assessment section that an individual will be required to complete as part of their initial compliance audit and ongoing competency assessments.

The modules, which are in the process of being created, are entitled:

- Module 1: Introduction to New Zealand's measurement system
- Module 2: Introduction to non-automatic weighing instruments
- Module 3: Testing weighing instruments

Once the above three modules have been introduced further modules will be established for fuel dispensers and the Accreditation Scheme.

Trade Measurement - Technical & Accreditation Policies

TS have continued to improve the legal metrology regime by providing clarity on technical issues on the verification and certification of instruments and the accreditation scheme that were not included in the Act.

The technical policies are based on requirements detailed in relevant OIML Recommendations where available. All previously released technical policies in relation to the testing and examination of weighing and measuring instruments have been reviewed and revised into a single technical document for our Accredited Persons (approved 3rd party verifiers).

The accreditation policies are reactive measures that have been deemed appropriate to ensure a more robust system of accreditation is administered.

Approvals Register

A new online register has been developed, which contains all National Certificates of Approval issued in New Zealand. This tool has been developed primarily to assist Inspectors when completing inspections and Accredited Persons when completing certification and verification work. The register also has a comprehensive search function, which provides users the ability to search for a specific type or category of weighing or measuring instrument, and also the ability to use keywords, which may be a make, model, or type of instrument. This also benefits a person who is submitting a variant to an existing instrument or is planning to apply to introduce a new instrument into the NZ marketplace.

Trading Standards go paperless

During inspection and auditing activities Inspectors capture data on an iPad using an application called 'iAuditor'. This system was introduced two years ago and integrated into the data management system just over one year ago. After the initial launch a number of improvements were identified and subsequently actioned, which resulted in more relevant data being captured in our system.

Furthermore the 'iAuditor' app has been employed to assist various internal initiatives within Trading Standards and the Ministry, i.e. health and safety checks on the vehicles and personal protective equipment used by Inspectors, pre inspection risk assessments of trader premises and also internal audits of our ISO17025 accredited laboratories.

Trading Standards have also collaborated with an IT developer to extract the information into a data warehouse. A reporting tool was then implemented to allow Inspectors and Management to analyse the data for emerging trends, areas of interest and the performance Inspectors and Accredited Persons.

Other Activities

World Metrology Day 2017

On 23rd May an event was held to commemorate the anniversary of the signing of the Metre Convention in 1875. World Metrology Day (as it is more commonly known) was hosted by MSL alongside the Metrology Society of Australasia (MSA) at an event in Auckland. Approximately 40 customers and key stakeholders were in attendance for the full day programme, which includes a technical presentation, workshop and a trip to the Defence Technology Agency in Devonport.

Media Presence

Trading Standards made their television debut on New Zealand TV's consumer issue programme 'Fair Go'. The purpose of the segment was to give viewers a brief overview of the type of work an Inspector would normally undertake during a typical working day. Two officers were featured on the show and effectively demonstrated inspection work carried out at two retail sites in Wellington and in the TS primary laboratory in Auckland.

The webpage for the show can be found following this link: https://www.tvnz.co.nz/shows/fair-go and a clip of the feature can be found here: https://www.tvnz.co.nz/shows/fair-go/clips/we-hit-the-streets-with-the-metrologists.

SECTION 3 - Future focus

New initiatives planned (next 1-2 years)

Seeking Certification to ISO 9001: 2015

In July 2015, Trading Standards obtained certification to the Quality Management System ISO 9001:2008. As a result MBIE's Consumer Protection and Standards branch was impressed by the benefits it had provided and a branch wide certification has now been attained.

With the recent release of the revised Quality Management System, ISO 9001: 2015, Trading Standards is in the process of updating its system to reflect the new requirements to include the following functions:

- •Trading Standards ISO 17025 mass standards Laboratory
- •Standards New Zealand
- •Consumer Protection
- Occupational Licensing
- •Radio Spectrum

Unstamped Weighing Instruments

Inspections conducted at local markets revealed that a number of stall holders were using non approved price computing weighing instruments, which they had purchased via various Internet sites. Upon inspection of the Internet sites and the advertisements for the weighing instruments, non-compliances have been discovered. As a result a project will be conducted by TS to minimise the distribution of these types of instruments.

It is envisaged that legislative change may be required to specifically make sale of these items illegal.

Electronic Cigarettes

The Electronic Cigarette industry in New Zealand is growing rapidly. In recent years both the UK and US Markets have shown significant growth in this sector, which has pre-empted New Zealand Trading Standards to take a proactive approach to ensure this emerging industry is compliant with legal metrology requirements. To date a number of test purchases have been completed and revealed a number of short measure and labelling non compliances. As a result, a nationwide project is in the process of being planned to tackle the issue head on.

Furthermore this industry has significant implications for other enforcement agencies in New Zealand, i.e. Ministry of Health, NZ Customs Service and NZ Police etc, and TS are seeking to work collaboratively with them to help ensure the industry is regulated effectively.

Emerging issues - challenges and opportunities

Incorporating updates to OIML documents into NZ legislation

The following two documents have been revised and approved by OIML

- •OIML 79 Labelling requirements for prepackages
- •OIML R87 Quantity of product in prepackages

Trading Standards intends to review the weights and measures legislation to incorporate the new requirements.

Certification system for prepackages

Trading Standards will also consider the introduction of a package goods certification system once the 'Guidance for defining the system requirements for a certification system for prepackages' has been approved.