# SUBMISSION

by

# EMPLOYERS AND MANUFACTURERS' ASSOCIATION (N) INC.

to the

# Australian Productivity Commission

on

# Trans-Tasman Mutual Recognition Draft Report

**8 August 2003**
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# Mutual Recognition Draft Report
# Submission by Employers and Manufacturers Association (N)

# 8 August 2003

## 1. BACKGROUND

This submission is made by the Employers and Manufacturers Association (N) Inc. (EMA)
The EMA is made up of approximately 7000 member companies covering New Zealand region north of Taupo. This membership includes approximately 1600 manufacturers ranging from large to SME.

Within our membership there are a significant number of companies involved in the manufacture supply, distribution and use of products on a Trans-Tasman basis

The EMA includes in its advocacy role a keen interest in trade (export and domestic issues) and that of compliance costs for our members both within the New Zealand market and under international agreements such as the TTMRA and CER.
The EMA has focused its submission on more general issues noting that specific issues will have been raised by industry sector trade associations or member companies that hold an in depth understanding related to their sector products.

## 2. CONTACT

For further contact in relation to this submission:

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# 3. SUBMISSION

**Summary Statement:**

The EMA believes that this review is very timely and by its comprehensive nature affords an opportunity for the Commission through its end report to;

- Seek a formal recommitment from politicians in all administrations to the principles and requirements of the TTMRA and MRA
- Seek to create greater awareness among all bureaucrats/regulators of the TTMRA and MRA and the responsibilities/obligations the agreements place on them
- Ensure that, the "Regulatory Impact Report" required when any new legislation is introduced, incorporates TTMRA an MRA as a mandatory component.

**Submission Content:**

As the leading voice of business for in region, the EMA has been party to talks on CER and, through its involvement with Trade Associations, has been active in the TTMRA process.

In most areas the EMA is happy that the content and thrust of our previous submissions have been picked up by the Commission and have been presented in a well balanced manner.
We therefore support the overall report with minor modifications.

We would like to make the following points that are relevant for either inclusion or modification in the final report.

1. The New Zealand Government has now announced changes to the HSNO legislation which if implemented correctly should alleviate much of the concern about how this legislation would impact on the ability of substances to move from Australia to New Zealand. We support the statements by the commission on advancing the GHS in Australia and would see that the changes announced will make the process of mutual recognition easier to implement on a Trans-Tasman basis.

   We remain concerned that there will still be significant costs retained in the New Zealand Hazardous Substances system and we advocacate that these costs should be reviewed carefully in any harmonisation process involving Australia moving into the GHS. These include the approved handler requirements, Test Certifiers and Test Certification of premises, costs.

2. We are aware that the "like for like" measuring of gas appliance deaths has not been reported correctly in the draft report and would like to see this data corrected or removed.

3. We remain concerned at the likely administrative costs of the proposed joint agency for therapeutic products however we are supportive in principle of the concept of the Joint Agency.
   The legal loophole allowing dietary supplements into Australia from New Zealand should be closed until such time as this issue is sorted out by both Governments.

We are keen to ensure that the principles established at the agreement for this agency is implemented in the legislation and regulations in the spirit it is intended.
We do not wish to see overly bureaucratic systems or the current cost structures present in the TGA applied under this agency. For internationally proven products such as sunscreens through to skincare products utilising SPF as a secondary purpose, we find the current Australian TGA system to be excessive and not related to the risk/benefit ratio for such products.

We are happy with the work being done in the Advertising Standards area of Therapeutic advertising where the industries involved support the use of the New Zealand model being expanded for use in Australia.

4. We remain seriously concerned that bureaucrats on both sides of the Tasman are proceeding with Minimum Energy Performance standards (MEPS) projects in isolation of each other and we endorse the need to educate and ensure that such agencies both State and Federal need to be working in a cooperative environment if we are to achieve consistency.
The situation over the Water heating and Lighting Ballasts remains unresolved at this time.

5 The signalled change by Standards Australia to no longer pursue joint Standards with Standard New Zealand since our original submission raises serious concerns and we believe is a furthering of agencies failing to work to the spirit of the TTMRA.
We believe this situation needs to be addressed and that the commercial imperative that is driving this particular case dealt with in the interests of harmonisation between the markets.

6. We are aware of the differences between the countries in areas such as Ceramics and for the classification of books, games and video material and consider that these areas also need to be addressed when retailers operate on both sides of the Tasman.
Both Australian and New Zealand retailers benefit from common rules for compliance and therefore should not be left out of your considerations.