SUBMISSION TO THE AUSTRALIAN PRODUCTIVITY COMMISSION ON THE DRAFT RESEARCH REPORT ON THE 2008 REVIEW OF MUTUAL RECOGNITION SCHEMES

Introduction

The Ministry of Economic Development (MED) welcomes the opportunity to comment on the findings of the Australian Productivity Commission (the Commission) in its 2008 Draft Research Report on the 2008 Review of Mutual Recognition Schemes ("the Draft Report").

This submission has been prepared by MED, with technical input from other agencies, to provide comment on certain issues arising in the Draft Report which the Commission may like to consider as it develops its final report. The submission does not attempt to provide a final or comprehensive reaction to all of the Commission's recommendations. That response will be developed by the New Zealand government after the release of the Commission's final report.

This submission is divided into six sections:

Section A: general comment;
Section B: occupations;
Section C: trade in goods;
Section D: issues around public and regulators' awareness of and recourse mechanisms under the TTMRA;
Section E: other issues;
Section F: comments on text and matters of technical accuracy.

Section A: General comments

Rationale and effectiveness of the TTMRA

The Commission may wish to consider reflecting more fully, in its analysis of the rationale (chapter 3) and effectiveness (chapter 4) of the Trans-Tasman Mutual Recognition Arrangement (TTMRA), the importance of the TTMRA in the context of the wider architecture which supports the trade and economic relationship between Australia and New Zealand. As the Draft Report notes elsewhere (chapter 12, page 245), mutual recognition has been an important regulatory tool to meet the objectives of CER and the Single Economic Market agenda. The process of economic integration has been incremental, with achievements in one area (such as the TTMRA) in turn opening up possibilities for reducing compliance costs in other areas. The TTMRA operates interdependently with other instruments and initiatives. While gains to date cannot therefore necessarily be attributed to one specific initiative (as the Draft Report notes), it would be much more difficult for gains to be realised without key building blocks like the TTMRA . It is important, therefore, to appreciate the role which the TTMRA plays in this wider context.

In addition, as the Draft Report notes (see page 65), over 80 percent of trans-Tasman goods trade is not subject to an exemption under the TTMRA. This is a strong indication of the importance of the TTMRA to the bilateral trading relationship. Notwithstanding the difficulty of determining a counterfactual, in the context of a

bilateral trade relationship worth $16 billion per year, it can reasonably be inferred that the low cost solution to regulatory differences which the TTMRA provides is acting as an important enabler of trade.

Section B: Occupations

Recommendations for legislative amendment

The Draft Report makes a number of recommendations (both in respect of occupations and also goods) that amendments to the legislation which underpins the TTMRA should be made or considered[1]. These proposed amendments are set out in full on p. 251 of the Draft Report. The Commission's analysis suggests that certain issues such as a perceived lack of clarity in or awareness of the scheme prevent realisation of the full benefits of the TTMRA.

In principle this rationale for amending the TTMRA is not problematic. But any amendments which are proposed in the Commission's final report would need to be considered carefully against the principle that the comprehensive coverage of the current mutual recognition system should be preserved or expanded where appropriate. Care must be taken to ensure that the mutual recognition intent and objectives of the TTMRA are not undermined. The Commission's final recommendations will be considered in that light.

Any amendments to the legislation which enacts the TTMRA may also require amendment to the TTMRA itself. As the TTMRA is an instrument negotiated between its parties, any amendments to the TTMRA would need to be agreed by all TTMRA parties.

Definition and scope of registration

The TTMRA defines registration in its broadest sense. It is clear that concerns have arisen regarding the interconnection of registration thus defined, with other regulated requirements. These include on-going competency requirements and annual practising certificates, and the conditions that can be attached to registration, either at the time of initial registration in the second jurisdiction or as a requirement for continuing registration.

It is apparent however that some of the concerns raised, stem more from a lack of understanding or awareness of the TTMRA, or from a difficulty in accessing adequate assistance on mutual recognition requirements, including in the early stages of the policy development. The emphasis in dealing with these concerns, in the first instance, should be on targeted awareness raising, better dissemination of information and the development of processes that encourage regulators to share experiences.

Other comment on specific findings and recommendations

Recommendation 5.1: recommends a review of whether "traditional" registration of occupations is appropriate. This recommendation raises wider questions about the

[1] For occupations, this includes recommendations 5.2 – 5.8 and draft finding 5.3.

regulatory approaches for occupations. The proposed review is therefore potentially a large task. Any further comments which the Commission can make on what such a review might entail would assist analysis of this recommendation.

There may be a need to develop appropriate guidance for regulators to encourage and assist them in taking the operation of mutual recognition into account in the early stages of regulatory development or reform of "registered" occupations.

Recommendation 5.2: recommends that "jurisdictions should consider whether the current wording of the mutual recognition legislation reflects their intentions regarding the types of registration covered by the schemes". This recommendation is worded very broadly and may be seen as an invitation to open the discussion more widely than envisaged. It may be useful to give an example here, such as the inclusion of co-regulation, to help narrow the discussion if this was the Commission's intention.

Recommendation 5.3 and Finding 5.3: concerning the introduction of judicial mechanisms to clarify the application of the TTMRA are discussed in section D below.

Recommendation 5.4: the concern behind the Commission's recommendation that jurisdictions should be able to take into account the criminal history of an applicant in appropriate circumstances is acknowledged. The recommendation to allow registering authorities to carry out criminal record checks in another jurisdiction and then act upon the results of those checks would, however, need to be carefully considered in light of a number of policy considerations. These include natural justice implications, the seriousness and relevance of the offence to the occupation, and the implications of "clean slate" policies.

It would need to be considered further whether it is appropriate for regulators in one jurisdiction to be able to judge actions and offences carried out in another jurisdiction. To avoid this scenario, but to provide greater certainty, it may be better to work through, or strengthen, existing information exchange channels between regulatory authorities to ascertain the criminal record of an applicant.

There are other issues that need to be explored in respect of this recommendation. For example how would the Commission's proposal affect the "deemed" registration provisions under mutual recognition? In addition, should the existence of a criminal record in another jurisdiction be made a ground for refusing registration, there would need to be appropriate restrictions to protect the rights of applicants (for example, to avoid registration being denied based on hearsay).

Recommendations 5.5 and 5.6: relate to conditions that may be attached to registration and on-going training requirements. There may be benefits in considering ways to clarify the application of the TTMRA in this area as the Draft Report recommends. As noted above however, it would be important that any amendment to the legislation recommended in the final report be considered against the preservation of the underlying mutual recognition principle for occupations, being that a person registered to practise an occupation in New Zealand is entitled to practise an equivalent occupation in the jurisdiction of any Australian party (and vice versa), notwithstanding differences in underlying qualifications.

Section C: Trade in Goods:

Recommendations for legislative amendment

As for occupations, the Draft Report makes a number of recommendations in respect of the TTMRA regime for goods which suggest that amendments to the legislation which underpins the TTMRA should be made or considered.[2] In addition, the Draft Report notes a number of other recommendations and findings, in respect of the special and permanent exemptions to the TTMRA, which would require amendment of the TTMRA schedules.[3]

New Zealand will consider any recommendations for amendment of TTMRA schedules or legislation which are proposed in the Commission's final report in light of the principle that the comprehensive coverage of the current mutual recognition system should be preserved, and the mutual recognition principles applied, as fully as possible, to ensure that the intent and objectives of the TTMRA would not be undermined.

Temporary Exemptions

<u>Interaction with Australia's product safety regime</u>

The importance of reducing differences in standards and product bans between Australian jurisdictions is acknowledged. New Zealand also recognises that there is a need to be able to respond quickly to imminent serious risk of injury. There is however also a linkage between product bans and the development of product safety standards. Any proposal to invoke automatically temporary exemptions under the TTMRA would therefore need to be considered carefully once the finer detail of Australia's new product safety regime is further developed.

The principle of mutual recognition between New Zealand and Australia embodies a strong understanding that our societal values and attitudes to safety are extremely similar, but that we may develop slightly different means of achieving shared desired outcomes. Given this, New Zealand and Australia may take different legislative routes and it may not be appropriate to simply graft on to the existing provisions in the TTMRA the development of certain legislative criteria in one jurisdiction. It was under this understanding that the Special Exemption programme for consumer goods was able to be resolved.

The consequences of automatic invocation of temporary exemption under the TTMRA need to be carefully explored in relation to the development of both permanent bans and product safety standards, bearing in mind the importance of ensuring that the application of the mutual recognition principle remains as comprehensive as possible.

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[2] For goods, this includes draft recommendations 7.5, 8.3, and draft findings 8.4 – 8.8.
[3] Draft recommendations 7.1 – 7.4, 8.1 – 8.2, and Draft finding 7.1.

Special Exemptions

Hazardous substances, industrial chemicals and dangerous goods

The Draft Report recommends that, following completion of the current Cooperation Programme work-plan in 2009, consideration should be given to converting the Special Exemption for hazardous substances, industrial chemicals and dangerous goods into a Permanent Exemption (Draft recommendation 7.1).

New Zealand's original submission to the review recommended retention of this Special Exemption and noted that the existence of Permanent Exemptions narrows the scope and coverage of the TTMRA thereby undermining its objectives.

The lead Australian agency for the Chemicals Co-operation Program under the Special Exemption (OASCC) submitted in favour of retention of the Special Exemption on hazardous substances, industrial chemicals and dangerous goods, but with a move to a three year roll over period. The submission of the industry association ACCORD Australasia also argued that 'greater effort is required by regulators on both sides of the Tasman to overcome perceived obstacles regarding the trade in chemicals' (implying that Permanent Exemption would not be supported).

Whilst progress on resolving the Special Exemption has been limited, it should be taken into account that some progress is nevertheless occurring and may eventually lead to harmonisation of classification and labelling of chemicals between Australia and New Zealand.

The chemicals management systems in Australia are currently facing some degree of change as a result of the revision of the workplace chemicals framework and the outcome of the Productivity Commission's review of chemicals and plastics regulation (July 2008). In assessing the Commission's recommendation, TTMRA parties should consider whether these changes might assist in harmonisation.

A further matter that is of relevance to the Special Exemption for hazardous substances is also included in the section that relates to the Special Exemption for gas appliances (Section 7.4). Paragraph 5 on page 148 of the report refers to issues with Australian manufactured LPG cylinders. The approval and acceptance of gas cylinders is covered in New Zealand by the Hazardous Substances (Compressed Gases) regulations 2004, under the HSNO Act. To date, the issue of equipment used to store and handle hazardous substances has not formed part of the work programme under the Chemical Cooperation programme, but, arguably, it should. The matter of gas cylinders is different to that of gas appliances and it is quite possible that harmonisation could be achieved in relation to cylinders, possibly by way of adoption of joint Australian/New Zealand Standards.

Therapeutic goods

MED notes Draft Recommendation 7.2; that the Special Exemption for therapeutic goods should continue until a joint regulatory regime can be achieved.

Road Vehicles

MED notes the Commission's Draft Recommendation 7.3, in particular the importance of ongoing regulator to regulator dialogue in resolving issues.

Gas Appliances

MED notes the Commission's Draft Finding 7.1 that progress is being made by Australia and New Zealand towards harmonised regulations for natural gas appliances and that the probable outcome for certain LPG appliances will be Permanent Exemption.

Radio communication devices

The Commission may wish to further consider it's Draft Recommendation 7.4 that a permanent exemption be considered for short range and spread spectrum devices, in light of Draft Recommendation 7.5, that Special Exemption rollovers be extended to a three year period. A longer timeframe for Special Exemptions would reduce the administrative obligations associated with annual renewal processes and retaining the Special Exemption would ensure that the window for harmonisation for these products remained open for this longer period if draft recommendation 7.5 were implemented.

Annual Rollovers

The Commission's recommendation that the TTMRA legislation should be amended so that Special Exemptions can have a maximum duration of three years (Draft Recommendation 7.5) reflects New Zealand's original submission to the review. MED notes that this move could reduce administrative costs and the need for Heads of Government involvement, and would also allow regulators a longer period of opportunity to address any outstanding issues and move towards concluding cooperation programmes.

The Commission's views would be welcome on whether, under such a proposal, some form of annual reporting should be retained to maintain discipline and drive progress. An annual reporting requirement could help to ensure that progress on outstanding issues did not languish.

Permanent Exemptions

Import Food Control Act (risk-categorised food)

Draft Recommendation 8.1 recommends considering narrowing the Permanent Exemption for risk foods, so that it covers only those for which harmonisation of risk-food lists and equivalence of import-control measures are not achievable in the long term. It would be useful for the Commission to consider how the development of this proposal might ensure that proper emphasis is placed on the mutual recognition principle of equivalence of outcome, rather than equivalence of the related standards themselves.

The recommendation to reclassify other foods as a Special Exemption would also ensure that the current trans-Tasman cooperation programme to complete the alignment of the respective risk lists and to develop a consistent system to manage third-country imports is mandated to continue.

It would be helpful if the Commission could clarify whether the intent behind this recommendation would be that the proposed Permanent Exemption and the Special Exemption lists not include those foods for which agreement has already been reached (i.e. dairy and peanuts and possibly seafood – not including shellfish – which is anticipated to be concluded shortly).

Ozone Protection

MED notes Draft Recommendation 8.2 that consideration should be given to removing the ozone protection exemption from the TTMRA. The Commission's analysis that there is now scope for future alignment of Australia and New Zealand's regulatory approaches reflects New Zealand's original submission to the review.

The Commission's comments on the interaction between Draft Recommendation 8.2 and its recommendation regarding the Special Exemption for hazardous substances (Draft Recommendation 7.1) would be useful. Many ozone depleting substances are also classified as hazardous substances and as such would also fall under the current Special Exemption. The recommendation to consider the removal of the Permanent Exemption for these substances, which envisages an extension of mutual recognition principles to these products, appears to be in conflict with the recommendation to move the hazardous substances Special Exemption to Permanent Exemption, and thereby remove them from the application of mutual recognition.

Section D: Awareness and Recourse Issues

Taken together, the Commission's draft recommendation and draft finding 5.3 (in respect of occupations), drafting findings 8.6 – 8.8 (in respect of goods) and recommendation 11.1 (in respect of both goods and occupations) set out proposals for additional mechanisms for resolving or "escalating" issues which may arise in the application of mutual recognition arrangements.

Advisory mechanisms

It would be useful for the Commission's final report to consider in more detail how the proposed mechanisms might apply in respect of the TTMRA. The discussion in the Draft Report focussed on the Mutual Recognition Arrangement which applies as between Australian states and indicates that the units would have an Australian focus, although we understand that the Commission may have intended the role of the advisory units also to extend to the application of the TTMRA in New Zealand.

It would be helpful for the final report to articulate to what extent the Commission envisaged that the information provision and liaison/mediation service which the Draft Report describes for goods and occupations (see draft finding 8.6 and recommendation 11.1) would apply to the application of the TTMRA in New Zealand,

and what role (if any) may have been contemplated for New Zealand agencies within the proposed advisory units.

In any event, as it is likely that these units would receive enquiries from Australian individuals which address the application of the TTMRA in New Zealand, it would be helpful for the Commission to consider this issue.

Judicial mechanisms

Similarly, the Draft Report suggests the addition of a judicial mechanism for obtaining advisory opinions on aspects of the application of the TTMRA, both in respect of goods (draft finding 8.7) and also occupations (draft finding 5.3). In potentially widening the mandate of the existing occupations tribunals to consider a broader range of issues, TTMRA partners would need to consider further what the weight and implications are for the implementation of such 'advisory opinions'.

For goods, the Draft Report suggests that this could extend to hearing appeals of regulator decisions where parties consider that the TTMRA should apply. Would these be the same forums, with the same mandate, as the existing occupation tribunals?

Potential issues that would need to be considered in the final assessment of the proposed judicial mechanisms include how the decisions of such bodies would fit within existing domestic legal structures, and how the bodies would be constituted.

Creation of specialist units

Draft Recommendation 11.1: proposes that COAG could strengthen oversight of mutual recognition schemes by appointing two specialist units to provide advice on the operation of the schemes

New Zealand has recognised the importance of promoting a better understanding throughout government of the TTMRA as a whole, including the overriding status of its implementing domestic statutes, which informs the Commission's recommendations to establish specialist units under COAG to monitor and provide advice on the mutual recognition schemes within Australia.

This role has been performed for some time in New Zealand by MED, resulting in the accumulation of expertise in matters relating to TTMRA. Many government agencies now refer to MED for advice or assistance in the early stages of their policy development to ensure that mutual recognition implications are well understood and factored in to their policy proposals. Australian policy proposals are also referred to MED by relevant New Zealand counterpart agencies for assessment of TTMRA implications.

Following the 2003 Review, MED undertook a series of workshops and seminars targeting government agencies and occupational registration authorities to raise awareness and improve understanding of the TTMRA.

The establishment of a TTMRA-specific enquiry point which is predominantly used by individuals seeking information to assist with registration processes has been well received by both registering authorities and individuals seeking registration.

As noted above, an important consideration for New Zealand in assessing this recommendation would be how the trans-Tasman application of the TTMRA might be reflected in the proposed mechanisms.

Temporary exemption mechanisms for resolving regulator concerns

Draft finding 5.3: observes that an effective process is required to resolve regulators' concerns about significant differences in occupational standards between jurisdictions, and suggests the possibility of adding a temporary exemption mechanism where there are serious concerns.

Any such proposal for additional temporary exemptions would need to be treated with caution, bearing in mind the importance of ensuring the TTMRA coverage remains comprehensive and that exemptions are used only where they are essential. A potential risk of adding new temporary exemption mechanisms to the TTMRA is that additional carve outs might weaken the mutual recognition principle.

Under the TTMRA a temporary exemption can be applied to a good in a narrow set of circumstances (health and safety of persons, or to prevent or minimise environmental pollution). It is unclear what urgent policy concerns a temporary exemption in the area of occupations would seek to address.

Section E: Other issues

Impact of third party agreements

Draft Finding 10.1: of the Draft Report states that the NZ-China FTA "*do(es) not significantly increase the risk to consumers of lower quality products or registered persons entering…Australia under the TTMRA*".

This wording suggests that there may be some increase in risk (albeit small) to consumers from the NZ-China FTA through the application of the TTMRA, although the discussion in the report clearly does not propose this to be the case.

It should be noted that the NZ-China EEE MRA was negotiated with the operation of the TTMRA and the highly integrated trans-Tasman market for goods and services in mind, and utilised joint trans-Tasman infrastructure (JAS-ANZ). Australian electrical safety regulators were advised during the development of the MRA and kept aware of the mechanisms and provisions that were being developed and the implications of these for trans-Tasman trade.

In respect of occupations, possible future mutual recognition arrangements for qualifications under the NZ-China FTA would be similarly managed to avoid risks for TTMRA partners. The TTMRA reflects the confidence that New Zealand and Australia have in each other's regulatory regimes, and the design of any such arrangement would seek to ensure that mutual recognition was only extended to those applicants who were appropriately qualified to work in New Zealand.

New Zealand's practice to date has reflected an awareness of the point made in the Commission's draft finding (10.3): that it is important to take account of the TTMRA when considering co-operation agreements with third countries. This awareness plays an important part in minimising any risk arising for our TTMRA partners.

The Commission might like to reconsider whether its Draft Finding 10.1 properly reflects the strong degree of consultation with Australian regulators.

Extension of the Coverage of the TTMRA

Moving from Permanent Exemption to Special Exemption

The Draft Report identifies a number of areas where evolving regulatory approaches in Australia and New Zealand have lessened the need (or narrowed the scope of that need) for Permanent Exemption. As envisaged by the Commission's Draft Recommendation 8.3, should the respective governments decide to bring these areas under the operation of mutual recognition, a new regulatory mechanism that allows exempted legislation to be moved from Schedule 2 to Schedule 3 would appear to be required.

Use of goods provisions

MED notes the Commission's draft findings (8.1 through 8.5) relating to the potentially inhibiting impact of use provisions on the sale of goods and welcomes the Commission's call for more information to enable it to explore these issues further.

Cross border and remote service provision

The New Zealand government's submission to the review referred to this issue and the Commission's exploration of it is welcome. As the Draft Report notes cross border and remote service provision is more prevalent than when the mutual recognition schemes were designed. It will be important to explore more fully the issues that arise in the context of remote service provision with a view to a possible deepening of the TTMRA.

Section E Comments on text and matters of technical accuracy

This section notes some aspects of the Draft Report which are factually inaccurate, or which could benefit from greater elaboration in the final report.

Recommendation 5.9: extending Ministerial Declarations to New Zealand.

The Draft Report states that the New Zealand Government said in its original submission that it was in favour of extending Ministerial Declarations to New Zealand, and goes on to recommend that consideration should be given to this idea (see page 107). This does not accurately reflect that submission, which stated that "*we would welcome the Commission's views on the potential benefits and implications of extending the [Australian] matrix and the Ministerial Declarations to cover New Zealand registration requirements in those trades*". The Commission's views, once finalised, will help to inform New Zealand's own position on the

desirability of extending Ministerial Declarations to registered occupations in New Zealand.

Section 5.7:

The Commission's discussion of regulator expertise (at p. 102 of the Draft Report) notes that there is an obligation on local registration authorities, under s39 of the Australian Mutual Recognition Act, to make information available on the operation of mutual recognition. It would be useful for the Commission's final report to also note that an equivalent obligation exists under the New Zealand Trans-Tasman Mutual Recognition Act.

Chapter 5 – discussion of regulation of occupations and legal opinions:

Chapter 5 of the Draft Report discusses the implications of the legal opinions which the Commission obtained on of the application of the TTMRA regime for occupations, as part of wider discussion on various perceived issues with the regime. It would be useful if the Commission's final report could include in this discussion references to the relevant analysis provided in the legal opinion of New Zealand's Crown Law Office, as well as the opinion provided by the Australian Government Solicitor (AGS), in order to ensure that the discussion fully accounts for analyses of both the Australian and New Zealand legislation which implement the TTMRA. At present, the Draft Report tends to reference only the AGS opinion.[4] This includes, for example, the Draft Report's discussion in relation to recommendations 5.2, 5.4, 5.6 and 5.7.

Interaction with Australia's product safety regime

The discussion of this topic at page 118 of the Draft Report contains factual inaccuracies which the Commission may wish to address in its final report.

At paragraph 3, the Draft Report refers to the Commerce Commission as New Zealand's consumer regulator, whereas in fact it is the enforcement agency only. The regulator role with regard to product safety falls to the Ministry of Consumer Affairs.

The relevant paragraph could be reworded as follows:

"*However, New Zealand is an active participant in Australasian product safety policy development through its membership of the MCCA and its supporting officials committees. Both the New Zealand consumer regulator (the Ministry of Consumer Affairs) and its enforcement agency the New Zealand Commerce Commission (NZCC) are participants in these fora. The NZCC has also signed…..(ACCC 2008). These deep levels of interaction should support…."*

Section 7.1 (industrial chemicals):

At page 125, the Draft Report states that "In contrast, New Zealand tends to regulate chemicals less intensively, has a single agency (ERMA) to deal with most

[4] New Zealand acknowledges that this is likely to reflect the short amount of time available to the Commission after receiving the Crown Law opinion for references to be included before publication of the Draft Report.

assessment and standard-setting functions, and fewer regulators to administer and enforce the regulations." (paragraph 2, last sentence). These statements are considered an inaccurate description of New Zealand's regulation of chemicals. New Zealand bases its regulation on the HSNO Act, which approaches chemicals hazards from a chemical rather than a sector-specific perspective, complemented by additional legislation which does address the risks of specific uses and in specific sectors. We therefore consider that a more appropriate statement would simply be "*New Zealand tends to regulate chemicals in a more integrated fashion*".

The Commission's discussion on implementation of GHS (at page 128) refers only to New Zealand and to the fact that the "*European Union plans to start phasing in the GHS over a period of about seven years*". The report may like to note that GHS implementation is already well advanced in many ASEAN nations and to provide more information on the implementation timetable now adopted by the EU, i.e. that that timetable will see all chemicals required to be classified and labelled in accordance with GHS criteria by December 2010 and all chemical mixtures by 2015.

Section 7.3 (road vehicles):

At page 145, second bullet point, the Draft Report refers to the introduction of microdots, and states that these "*…will be soon required of all vehicles imported into New Zealand*". This requirement was meant to have been fully in place by 1 September 2008 but due to a High Court ruling this law has not come into force. The new car industry representative body has sought a judicial review of the intended law. The case has not yet been heard but the High Court has ruled that the law will be held in abeyance until the case is heard. As such, it may be more appropriate to amend the reference from "…*will soon be required of*…" to a statement such as "…*which is proposed for*…", which better reflects the current status of this issue. Similarly, the following paragraph commences "*These regulatory changes…".* We suggest this should read, "*These proposed regulatory changes*".

Section 8.1 (agriculture and veterinary chemicals)

It should be noted that certain agricultural and veterinary chemicals are also considered to be hazardous substances under New Zealand's HSNO legislation, and as such are regulated under that legislation by ERMA New Zealand in addition to being regulated (for the purposes of trade, animal welfare, agricultural security, public health and food safety) under the Agricultural Compounds and Veterinary Medicines Act. ERMA New Zealand is therefore also involved in the alignment project to harmonise assessment procedures and information requirements with APVMA and NZFSA and this should be reflected on page 167, footnote 3 of the Commission's report.