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# 2015 Economy Report - Australia

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## National Measurement Legislation

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Recent minor amendments to the *National Measurement Regulations 1999* (Cth) have increased the fees levied for the examination and certification of patterns of measuring instruments by the National Measurement Institute (NMI). These reflect the increased costs of providing these services. These amendments were in two parts. The first increased the fees by 2.9% from the 1<sup>st</sup> July 2014. The second, completed at the end of 2014, included a fee indexation provision: fees will increase by an amount based on the annual change in the Consumer Price Index in Australia over the previous twelve months on the 1<sup>st</sup> July each year commencing from 2015.

Amendments were also made to the *National Trade Measurement Regulations 2009* (Cth):

- The amendments established a servicing licensee competency framework by prescribing a condition that applied to all servicing licensees from 1 January 2015. The new condition requires all verifiers under each servicing licence to hold a Statement of Attainment for any measuring instrument they verify. This is similar to the condition that was previously on servicing licences.
- There was also a new regulation that applied to all public weighbridge licences from 1 January 2015. The new regulation requires at least one person under the public weighbridge licence to hold a Statement of Attainment in order to operate a public weighbridge.

## Government's Regulatory Reform Agenda

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The Australian Government is committed to a regulation reform agenda that will drive productivity and efficiency gains within the economy. Key features of this agenda include:

- reducing the regulatory burden for individuals, businesses and the community by at least \$1 billion per year; and
- examining opportunities for greater acceptance of trusted international standards and risk assessments as part of the Government's Industry Innovation and Competitiveness Agenda.

In the first year of the Government's regulation reform agenda, Commonwealth portfolios reported over 600 decisions which, when fully implemented, will elicit net savings in compliance and delay costs of approximately \$2.3 billion.

To help achieve this, NMI has been actively pursuing reforms to reduce compliance costs on businesses. NMI ran a public consultation process to seek feedback from stakeholders on the scope for reducing regulation around the National Instrument Test Procedures (NITPs) system and what net savings for industry, Government and consumers any reform may deliver.

The consultation sought stakeholder input on the use and effectiveness of the NITPs, as part of the trade measurement system and the scope for improvements that may reduce the regulatory burden on business and servicing licensees.

The consultation process involved the release of a consultation paper outlining the issues under review on the Department's consultation website. The consultation was open for a period of 30 days, from 27 May to 25 June 2015.

The majority of respondents were servicing licensees, accounting for 72 per cent of submissions, with the balance from businesses using trade measuring instruments (14 per cent) and government agencies or individuals (14 per cent).

In line with stakeholder feedback, the NITPs will remain mandatory. As such, servicing licensees will continue to be required to follow the test procedure detailed in the relevant NITP.

## Utility Metering

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Australia commenced consultation in August 2015 on the pattern approval standards for electricity meters. This consultation is considering the adoption and scope of OIML R 46 and also other trusted international standards for various types and uses of electricity meters. Different types and uses include electric vehicle charging, individual street light metering, solar power purchase agreements and sub-metering.

Australia has adopted OIML R 137 as the national pattern approval standard for gas meters. Australia is currently developing verification requirements and test procedures for gas meters.

Australia has now adopted the 2013 edition of OIML R 49. This replaces the adopted 2006 edition of OIML R 49 as the national pattern approval standard for water meters for cold potable and hot water. Previous restrictions on the approval of hot water meters have also been removed. Australia will now pattern approve hot water meters in accordance with the new standard.

The exemption in the *National Trade Measurement Regulations 2009* was lifted on 1 July 2014 for all cold water meters with a maximum continuous flowrate of less than or equal to 16,000 litre per hour. As a result, pattern approval and verification is now mandatory for these water meters.

NMI will soon commence a review of the verification requirements of utility meters. This will involve a review of NITP 14 as well as the conditions and requirements regarding the appointment of Utility Meter Verifiers.

## Conformity to Type (CTT)

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Within Australia, NMI continues to promote the introduction of CTT in sectors where few companies buy large number of measuring instruments. Considerable progress has been made in the water utility area where a joint industry-NMI code of practice has been developed with the Water Services Association of Australia.

Australia has now completed the 2014/2015 CTT testing program with industry members in accordance with the codes of practice. The results were reviewed and consolidated by NMI and supplied to participating industry members. The program was reviewed at an industry workshop in July 2015, where it was agreed to continue to run the program into the future. NMI will coordinate the next CTT testing program which is expected to commence in 2016. It is anticipated that CTT will flow on to other classes of utility meters in due course.

## Quality Measurements

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OIML TC 17/SC 8 is responsible for the development of a new OIML Recommendation on protein measuring instruments. Australia, as the convener of TC17/SC8/p1, submitted the Draft Recommendation to the International Bureau of Legal Metrology (BIML), for a preliminary ballot by all OIML member states. The Draft Recommendation has been uploaded on the OIML website and votes are due by 13 November 2015.

## Training

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Australia continues to require evidence of competence from verifiers and weighbridge operators. Since 1 January 2015 as a change to the national legislation, all verifiers must hold a Statement of Attainment in order to verify measuring instruments. Most existing verifiers are now compliant; almost 300 new applications for competency assessment have been received this year. Industry members are aware that they are required to ensure their employees are competent.

Attendance at NMI training courses is reducing as most employees of licensees have attended training already. Our eLearning (online) programs continue to be successful and a new program for verifiers of fuel dispensers will be available early in 2016.

The servicing licensee and public weighbridge industries have given overwhelming support for the competency assessment program and acknowledge the program is adding value to their businesses and the national system of trade measurement. Statements of Attainment are increasingly being stipulated as a prerequisite for contracts or for employment.

The majority of licensees and their verifiers now comply with the competency requirements.

## Trade Measurement Services (Inspectorate)

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Since July 2010, NMI has trained and appointed 29 new officers as trade measurement inspectors. It is anticipated that an additional five assistant officers will be employed during this financial year.

Trade Measurement Services (TMS) acquisition of the new weighbridge test unit with a capability of carrying 22 tonne of 1 tonne weights and a forklift to test weighbridges throughout Australia has significantly reduced the time on-site to conduct the test and the downtime disruption to industry. TMS has three test units all carrying the same design weights.

NMI is currently in the process of leasing and fitting out new premises in Adelaide and Perth moving. Both these new sites will include a measurement laboratory accredited by the Australia's National Association of Testing Authorities and a training room suitable for up to 12 attendees.

NMI is currently in consultation with the Waste Industry in Australia as recent environment legislation amendments have caused charges changing from a charge per pick up or volume rates to a weight based system. This has resulted in the waste industry fitting on-board weighing system to the trucks and the need for trade approved weighing system to be installed on the trucks. At present there is a small number of trade approved systems available in the market which meet the Industry's requirements.

In May 2015, NMI launched a program targeting the remote areas of Australia with an emphasis on visiting remote indigenous communities. The scope of the program, (which is on-going) is to reach remote communities providing the community members with the same levels of consumer protection and education as is afforded to the rest of the Australian population. To the end of July 2015 trade measurement inspectors have visited 259 traders within 126 indigenous community sites and their surrounding areas. The visits have included testing measuring instruments, check measuring pre-packed articles, conducting trial purchases, conducting verifier instrument audits and conducting tobacco plain packaging inspections (on behalf of the Australian Department of Health). While a number of minor breaches have been identified, education has been the approach taken to date.

Between July 2014 and June 2015, trade measurement inspectors continued inspections of imported prepackaged items at retail outlets and importers premises. During this period, 151 traders were visited, including 45 follow-up visits in relation to legislative breaches identified during the initial visit. The shortfalls were all low range however, of sufficient significance to issue around 20 infringement notices and warning letters (13 per cent serious non compliance). This program is continuing in the financial year 2015-16.

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17 September 2015