

TRADE MEASUREMENT LEGISLATION (AMENDMENT AND EXPIRY) BILL 2010

Receipt and First Reading

Bill received from the Assembly; and, on motion by **Hon Norman Moore (Leader of the House)**, read a first time.

Second Reading

HON NORMAN MOORE (Mining and Pastoral — Leader of the House) [10.23 pm]: I move —

That the bill be now read a second time.

The bill I am introducing today is the Trade Measurement Legislation (Amendment and Expiry) Bill 2010. The purpose of this bill is to facilitate the smooth transition of the regulation of trade measurement from the state to the commonwealth. Although the subject matter of the bill might seem dry, trade measurement is an important element of our economic infrastructure. In Australia, an estimated \$400 billion a year in trade transactions rely on accurate measurement. Trade measurement is also an important component of consumer protection. Seventy-five per cent of trade measurement transactions are between businesses and 25 per cent are between business and consumers. Fair market practice in the sale of goods by reference to measurement is an essential component of a competitive market. Petrol pumps, retail scales and weighbridges are all examples of measuring instruments that consumers and businesses rely on in day-to-day life.

Western Australian trade measurement officers have played an important role in the regulation of trade measurement in this state. A key function of trade measurement inspectors is to visit traders across the state to check their measuring instruments and to ensure that they are not marketing short-measure products. Inspectors check products and measuring instruments at grocery stores, processing and packing plants, warehouses, mining facilities, grain receival points, fuel depots and service stations, to name just a few. The work of trade measurement inspectors often goes unnoticed but it is a vital ingredient of a well-functioning market. It enables business to compete on a level playing field and also enables consumers to be confident they are getting what they pay for. At this point I would like to place on record the government's recognition of the high standard of work and commitment by staff—both past and present—of the trade measurement branch of the consumer protection division of the Department of Commerce.

I now come to the heart of the matter. The passing of this bill will mean that the regulation of trade measurement by this state will become a thing of the past. The commonwealth government has always had constitutional power to legislate for matters regarding weights and measures. However, prior to 2008, the commonwealth chose not to enact comprehensive trade measurement legislation. This responsibility remained, by default, with the states and territories. In 1990, all states and territories, except Western Australia, signed an agreement to adopt uniform trade measurement legislation by 1999. Western Australia later introduced its own trade measurement legislation, which was based largely on the uniform model. Changes to the uniform trade measurement legislation have occurred since 1999 but each amendment required the unanimous agreement of all jurisdictions party to the original agreement. Agreed amendments were introduced at different times in different jurisdictions, leading to an inconsistent pattern of regulation. As members can imagine, this led to a fairly unwieldy state of affairs.

Following a major national review confirming significant problems with the current administrative arrangements, the Council of Australian Governments in April 2007 agreed to establish a national system of trade measurement to be funded and administered by the commonwealth. That decision was part of the national reform agenda to establish a seamless national economy to boost productivity and to deliver better services to the community. A transition period of three years was agreed, with commonwealth administration commencing on 1 July 2010. The commonwealth has already enacted law adopting the uniform trade measurement legislation and enabling commonwealth enforcement to commence on the transition date of 1 July 2010.

This bill was not initially considered a priority matter as it was intended that, from 1 July 2010, the commonwealth legislation would prevail over state legislation, removing the need for an immediate repeal of the state legislation. Indeed, the second reading speech to the commonwealth's National Measurement Amendment Bill 2008 stated that the bill's objective was to introduce a national system of trade measurement that would "override state-based legislation, which will eventually be repealed". However, in March this year advice was received from the State Solicitor's Office to the effect that amendments to the National Measurement Act were not effectively drafted so as to override the existing state legislation, and, as a result, the need for the repeal of Western Australia's trade measurement legislation became urgent. The bill inserts an expiry provision into both the Trade Measurement Act and the Trade Measurement Administration Act to ensure that they expire on 1 July 2013 at the latest. It is expected that all transitional matters will have been addressed by this date. Specifically, the bill provides for transitional arrangements to enable the state to issue or withdraw infringement notices in

respect of matters occurring before the transition day; take disciplinary action against licensees who have been issued with a written notice before the transition day; investigate and prosecute offences committed before the transition day; preserve the right to review decisions made under state legislation; recover fees or charges payable; and permit the commonwealth government to access information held by the state in relation to trade measurement regulation.

As I have already said, an effective system of trade measurement, backed by legislation, is essential to ensure fair trading in the marketplace and to maintain consumer confidence. To date, the regulation of trade measurement has tended to focus on local retail transactions, whereas much commercial activity is, in fact, national or international in character. In today's trading environment, a national system for the regulation of trade measurement makes more sense. The move to central administration of trade measurement is designed to deliver benefits sought by businesses, consumers and government. It will reduce compliance costs and provide efficiency gains for business, and at the same time maintain existing standards of service and levels of consumer protection. The Western Australian government welcomes the substantial progress made on the Council of Australian Governments reform agenda across business regulation and competition, and I am pleased to say that this bill delivers on one of those reforms. I commend the bill to the house.

Debate adjourned and bill referred to the Standing Committee on Uniform Legislation and Statutes Review, pursuant to standing orders.