



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



**HOUSE OF REPRESENTATIVES**

**NATIONAL MEASUREMENT  
AMENDMENT BILL 2008**

**Second Reading**

**SPEECH**

**Thursday, 13 November 2008**

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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## SPEECH

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**Speaker** Emerson, Craig, MP

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**Dr EMERSON** (Rankin—Minister for Small Business, Independent Contractors and the Service Economy and Minister Assisting the Finance Minister on Deregulation) (1.15 pm)—in reply—I believe that the speakers list on the debate on the second reading of the National Measurement Amendment Bill 2008 is now exhausted. I have a copy of it here in my hand, after having attempted to fold the piece of paper seven times. I got it to six and that is small enough. I think it is time to bring this debate to a close. I was fascinated with the contributions of our various speakers, including the member for Forde, who gave us a very good exposition of some of the benefits of the bill. He mentioned such weights and measures as kilograms. I had the honour, recently, of going to the National Measurement Institute to witness the handing over of what we call the perfect kilogram. It was grown from a single silicon crystal into a perfect spherical object weighing exactly one kilogram. It was important that this was done because the measure of the kilogram is in France and it has degraded. It is a piece of metal and it has degraded slightly over time. I suppose that does not matter too much when it comes to how many cornflakes you have in a packet but it does in matters such as space travel. Similarly, they are very important for caesium clocks and so on. A small error can have a spacecraft missing a planet or a solar system by a very large amount. So this is actually all very important, not only to the past but to the present and to the future.

I want to thank a gazillion—which is a very large number of millions—people: everyone who has spoken on this. The National Measurement Institute, which will have responsibility for administering the new system of trade measurement, has pointed out to me that the desire for an orderly system of trade measurement reaches back to very early times. I am sure that the member for Forde would be fascinated to know that this was all anticipated in the Bible, where Leviticus, chapter 19, commands: ‘You shall not pervert justice in measurement of weight, length or quantity. You shall have true scales, true weights, true measures; dry and liquid’. So, there you go, a command from on high that we have the National Trade Measurement Amendment Bill! I will now move to another religion. The Koran actually warns: ‘Woe to those who stint the measure’—so get your measures right because the Koran says that is a very good idea. Fast-forward now to the Magna Carta, which set out that there would be one weight and one measure in the

realm. These are the sorts of measures that the member for Forde was talking about.

Indeed, I remember from primary school—and the member for Forde said that it was not belted into him, but it was close to belted into me—that there are 12 inches in one foot, three feet in one yard, 1,760 yards in a mile, 5,280 feet in a mile, 100 links in one chain, and 80 chain to one mile but also that one chain is a cricket pitch. I do not know if the chain came from cricket or that cricket got it from the chain, but if ever a fast bowler is wondering exactly why the length of the pitch is as it is and is thinking maybe it should be a bit shorter or a bit longer, the answer is that it is exactly one chain. And, of course, there are 16 ounces in a pound and, I think, 2,240 pounds in a ton?

**Mr Raguse**—That’s right.

**Dr EMERSON**—Yes, 2,240 pounds in a ton—and that is about as much as I know about that, so I should move on. The National Measurement Amendment Bill 2008 will set the framework for a national system of trade measurement. It will replace all of the current state and territory based systems. In a seamless national economy it makes no sense at all for our trade measurement system, a system which underpins commercial transactions across Australia and into our export markets, to be regulated by nine different jurisdictions. Yet that is the situation that has applied up until this point. It is what I call rail gauge economics, reflecting on the different rail gauges that were in the Federation of Australia that took a very, very long time to remedy. Former Prime Minister Andrew Fisher lamented in 1916 that in order to travel from Perth to the east coast you had to change trains many times. He thought that was absurd in 1916. Finally it was fixed up, and there is a celebration today.

We have these sorts of absurdities still in so many areas of regulation—27 areas of regulation—that we are pursuing through the Council of Australian Governments to put an end to rail gauge economics. This measure today, pardon the pun, is designed to do that in relation to trade measurement. It is what we have been working so hard to change through the business regulation and competition working group, which I have the privilege of co-chairing with the Minister for Finance and Deregulation. The system that we have been debating today and yesterday builds on the

experience of state and territory administrations. They themselves have reasonably good systems in place. There is no doubt about that. But the advantage of this, like fixing up the rail gauge problem, is that it will remove current inconsistencies and, importantly, help reduce business costs. It will allow Australia to adopt new technologies and processes, which will help our industries compete better internationally. A number of our speakers have made that point. The member for Lowe and other speakers pointed to those sorts of benefits.

The National Measurement Institute will be responsible for administering the new national trade measurement system and will offer employment to inspectors and others who are currently working in trade measurement in the states and territories. This bill is the product of a decision of the Council of Australian Governments in February 2006. COAG identified trade measurement as a priority hot spot reform area, where overlapping and inconsistent regulatory regimes were impeding economic activity. I acknowledge here the contribution of the member for Groom, who at that time was the Minister for Industry, Tourism and Resources and is now the shadow minister for energy and resources. He did initiate good work on this. He spoke on the importance of this bill and he was involved at the ground floor. I pay tribute to the work that he did and we are very pleased to have been able to bring this forward into the parliament. The bill has been developed through industry consultation and supported by a legislative working group with state and territory officials convened by the National Measurement Institute.

The member for Paterson raised one issue that I want to comment on regarding the role of the National Measurement Institute in administering the national trade measurement system. The National Measurement Institute will be responsible for policy and standards as well as enforcement. It is true that policy development and enforcement activities are often given to separate organisations to avoid undue influence on policy development by the enforcement activity. However, in the case of trade measurement, the policy is very straightforward; it is simply to ensure confidence in measurement through the use of verified measuring instruments. There are no Commonwealth agencies with the necessary expertise in this area other than the National Measurement Institute. Separating these functions would also create unnecessary complexity and add to costs, which we do not want to do, and that is obviously another area of concern that has been raised by opposition members in this debate. So we really do not want to go to a more costly exercise just for the sake of separation in this case. Because of these factors

the decision was taken that the National Measurement Institute would undertake both of those roles.

In closing the debate I want to share with the House the reaction from industry to the bill following its introduction into parliament. The Winemakers Federation of Australia welcomed the introduction of the bill, with its chief executive stating:

This is a very important measure and one which will save the Australian wine industry approximately \$19 million per year ...

The Australian wine sector relies heavily on its export industry with 60% of its product being exported overseas.

This measure will put Australia in line with other countries and increase our international competitiveness.

This is something that the wine industry has been advocating for some time and we applaud the Minister for Small Business, Independent Contractors and the Service Economy ... for taking this important step.

I reiterate, therefore, my thanks to the former minister for industry for the work he has done. In a statement issued by Accord Australasia, the peak industry group for the consumer, cosmetic and hygiene products sector, Executive Director Bronwyn Capanna welcomed the bill. She stated:

Industry greatly welcomes this new legislation.

It addresses the long standing problem business has faced with having to deal with separate and often inconsistent requirements of state and territory legislation.

... ..

By introducing an Average Quantity System the new legislation will bring Australia's trade measurement regulations into line with our major trading partners ...

... ..

Australian export firms will benefit from greater harmonisation with the rules of their export markets.

It is pleasing to see the government meeting its commitments to introducing reforms of COAG regulatory 'hot spots' like trade measurement.

Indeed, it was one of the 10 regulatory hot spots identified by the Council of Australian Governments. The National Measurement Amendment Bill 2008 lays the basis for the new national system of trade measurement, which will provide a level playing field across Australia for all transactions which are based on measurement. I commend the bill to the House.

Question agreed to.

Bill read a second time.