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### **Submission to the Ministry of Consumer Affairs on the Proposed Implementation of Mandatory Water Efficiency Labelling**

NCWNZ is an umbrella organisation representing 42 Nationally Organised Societies. It has 31 branches throughout the country attended by representatives of those societies and some 150 other societies. The Council's functions are to serve women, the family and the community at local, national and international levels through research, study, discussion and action. NCWNZ welcomes the opportunity to consider this discussion document on the Proposed Implementation of Mandatory Water Efficiency Labelling. The response has been prepared by the Consumer Affairs Standing Committee following circulation of the questions to NCW members.

NCWNZ members agreed unequivocally with the proposed regulations and the four primary objectives that New Zealand should adopt in considering the nature of the water efficiency labelling regime – as outlined in the consultation document. As the government has announced its aim for New Zealand to be the first nation that is truly sustainable, it is important to use our water resources in a smarter, more sustainable way, and mandatory water efficiency labelling will contribute to this goal.

#### **Response to the discussion questions from NCWNZ members are:**

- The proposed timeline will give a minimum of five months lead-in time. Will this be sufficient for manufacturers, importers and retailers to make the necessary preparations?

Most NCWNZ members agreed that the proposed timeline should be sufficient for the necessary preparations to be made.

Some members considered that five months may not be adequate time to test all listed products under all pressures and all circumstances; to design and print all new labels and to distribute all material required by the retailer for consumer education. However, the 1<sup>st</sup> July 2008 was considered a suitable time for necessary preparations to be made if notice of regulations ...the NZ Gazette by Dec 2007.

- Is it acceptable that consumers will not be able to access water efficiency information for older products?

Responses from NCWNZ members considered that it would be too difficult to label older products and give a reliable 'comparative star rating' because of the differing stages in the life/repair/quality of the appliance. Also various brands and models may no longer be on the production line or available as "new" products. The measurement regime may not be accurate and in time these products will be replaced.

Consumers should be encouraged to replace less efficient models of the listed appliances when upgrading or refurbishing homes and commercial properties.

- Is the proposed testing regime reasonable and will the consumer have enough reassurance about the accuracy of the information on the water efficiency label?

NCWNZ members agreed that consumers should have enough reassurance about the accuracy of the information on the label if the proposed labelling requirements follow specified testing regimes on all new products and are awarded by an accredited laboratory.

There was some concern expressed about who would monitor the accreditation process on an ongoing basis and ensure testing continues to provide accurate and consistent measurement. As the test calibrations and/or inspection reports from IANZ accredited organisations are recognised worldwide through Mutual Recognition Arrangements – consistency in water efficiency labelling and star ratings – whether products are imported or exported should be maintained. The accurate information on the labels should provide the consumer with assurance and a platform for comparison between new products for sale, based on tests conducted by certified laboratories.

- Will the provisions for international water efficiency labelling testing be sufficient?

Yes – members indicated that by international laboratories requesting a unique water efficiency labelling code from the Ministry for Environment and being given the label template – thus allowing importers to have their products tested in only one country – this should result in a saving on money and compliance, an important consideration for the consumer.

- Do the label placement proposals seem workable; are there any other alternatives label placement options you would like considered?

NCWNZ members agreed the label placement proposals were workable and should be adhered to the upper front portion of the appliance or fixture where possible.

Where it was not possible to stick a label of 'readable' dimensions to the product, e.g. taps and showerheads, a swing tag was accepted as a suitable alternative. It was suggested the swing tag could be attached by a small ball-bearing chain on smalls like taps or a star rating could be impressed during manufacture on to tap knobs or showerheads – as long as it did not detract from the design. Packaging was not considered suitable as the only means of indicating the water efficiency information as after opened and the appliance installed there would be no indication of the star rating on a small product.

A further suggestion was the possibility of combining both water efficiency rating and energy efficiency rating on the same label. The label would be slightly larger but take up less area than two stickers adhered to the front portion of the appliance or fixture.

- Do you think water efficiency information should be included in advertising and if so what form should it take?

NCWNZ members were universally in favour of water efficiency information being included in advertising and it was felt that consumers generally understood the system of star rating now and it is to be increasingly used on more products, including vehicles for fuel efficiency rating. The advertising showing and explaining water efficiency rating information should be on product specifications, brochures, magazines, catalogues or website where the product is profiles as well as at showrooms, display homes or units. Media publicity should be used to spread the information and continued so consumers are fully aware of the advantages for their own saving

– both in power and water usage – as well as the positive social and environmental benefit. Label advertising and display will provide consumer education and become a feature to sell appliances and fixtures. Many consumers have a social and ethical conscience and would prefer to make responsible decisions and choices by using water efficiency information when purchasing new appliances.

- Are the proposals practical for good that are leased or hired or sold by second-hand retailers?

Responses from members indicated that the proposed regulations were satisfactory and appear practical. If the label has been removed or defaced a new copy should be adhered to the appliance after re-testing. Second-hand goods should not be brought into the country unless they have a water efficiency label adhered or water efficiency information accompanying the appliance showing a test report by an accredited testing laboratory.

- Are the testing fixtures for low pressure supply situations appropriately addressed and will proposals for presenting this information to the consumer work?

NCWNZ members agreed that testing fixtures intended for low pressure supply situations appear to have been appropriately addressed. The label examples shown were considered to be excellent – although designed for high pressure supply systems on shower appliances and taps. Responses considered it was essential that a correct and clearly defined water star rating (when calculated) should provide accurate and up-to-date information for low pressure systems. The consumer must be safeguarded from buying the wrong type of fixture and have star ratings calculated using the correct protocols. Members suggested that the wording indicating “Intended for use in mains pressure systems “ or alternatively “Intended for use in low pressure systems” should be in larger bold print on the label or swing tag and preferably in a different colour that is easily identifiable and readable.

Members recommended that as soon as possible, labels should indicate the correct information on the water efficiency label, and provide a star rating for low pressure systems that is accurate following accredited testing, instead of including a disclaimer from the manufacturer.

- Are there any situations where exemptions to the regulations are needed?

Most responses suggested that no exemptions should be permitted on new products after 1 July 2008 as products manufactured and intended for export may ultimately not be exported e.g. cancelled orders or over production. Exemptions should be for products “in transit only” and privately sold second-hand items or products manufactured or imported into New Zealand after 1 July 2008 and over 5 years old for second-hand retail sale, hire or lease.

Members felt that where only 50 or fewer products are ever imported into New Zealand or manufactured for sale in New Zealand, they should not be exempted from the requirements of water efficiency labelling.

- Is there other information to be included or excluded from the water efficiency label?

Members agreed that the label examples shown were excellent and disclosed the information clearly. As suggested in the question about testing fixtures intended for “low pressure supply systems” members felt the wording should be in larger and bold print, preferably in a contrast colour. The same would apply for the wording “Intended for use in mains pressure systems”.

- Do the costs listed seem reasonable?

Yes, members agreed that as the Cost Benefit Analysis predicts the water efficiency labelling will increase the cost of water using appliances by about \$1 per product item sold, this would probably be acceptable to the consumer and appears reasonable. However concern was expressed that further costs incurred by manufacturers – testing of products, printing information brochures and advertising, etc – may be passed on to the consumer and these costs may continually increase over time. Have these costs been considered?

- Do you think a voluntary declaration website is a good idea and what information would you like the website to contain?

All responses from NCWNZ members indicated a positive response to this question. It was agreed that most consumers are now used to checking websites for information.

The website should include details of the testing regime, a list of the products with model and year of manufacture and a certified copy of the testing certificate with a completed form about the type and features of the item.

Regular audit of the information on the website was considered to be important to ensure the information was correct and the item was still for sale.

The website should include information about testing fixtures intended for low pressure supply situations with a full explanation about the water efficiency star rating for different systems.

## **Conclusion**

Water efficiency labelling will provide consumers with accurate, comparable and relevant information about the water efficiency performance of a product, enabling them to make responsible decisions around their consumption; also energy savings via their power bills as well as water efficiency savings.

NCWNZ agrees that “confident and responsible consumers will move society towards a sustainable future by using our water resources in a smarter more sustainable way and will be positively beneficial to our economy”.

NCWNZ thanks the Ministry of Consumer Affairs for the opportunity to comment on this important discussion document and would welcome ongoing involvement in any outcomes of the Consultation and final submissions.

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