

Consumer affairs

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Interview with the Minister By Richard Parlett

The Hon Judith Tizard started her second term as the Minister of Consumer Affairs last year. I caught up with the Minister to find out what brought her into the political scene, the variety of her portfolio, and what areas of Consumer Affairs she will be looking at in her second term as Minister.

This was my first time meeting a Minister so, slightly nervous at the prospect, I sought guidance from my colleagues. "The correct term of address is 'Minister'," they told me. So, satisfied that I was not about to make any protocol faux pas, I went off for my meeting.

Sitting down to a coffee in the Minister's office in Bowen House, I asked what drew her to politics in the first place.

"My father was in politics...and I was always interested, but it never occurred to me that I'd be a politician!" Judith Tizard said.

"It's a combination of personal experience and family experience. I got elected to the Auckland Electric Power Board in 1977 and after a while I realised that there were a lot of people who put their hopes and confidence in me.

"I was also in Young Labour in the 1970's with Helen Clark and Phil Goff and a range of people who I am actually still working with, and it's always easier when you have a group of people who you admire and work well with," the Minister said.

Along with being the Minister of Consumer Affairs, Judith Tizard is also the Minister for Auckland Issues and the Associate Minister

for Arts, Commerce and Transport as well as being the Minister responsible for Archives New Zealand and the National Library. Phew! With such a large number of portfolios I enquired about how the Minister sees the

links between her different responsibilities.

"My view as a Minister outside Cabinet is that it is my job to link up Ministerial responsibilities and also to link up Ministers and Ministries with groups and people," Judith Tizard said.

"The Consumer Affairs work flows very nicely into my Auckland Issues portfolio responsibility. Auckland is the

first port of call for most traders, and the leaving point for many exporters. It has always been my view that if New Zealand doesn't have an international city which is competitive with other international cities, then we will stop being a hub and become a branch line, so it seems to me that it is essential to all New Zealanders that Auckland works well."

This is Judith Tizard's second term as the Minister of Consumer Affairs. I asked if there were any areas she will be looking at in particular in her second term.

"I think it is working out how the digital age will impact on traders and consumers and making sure that the rules we have developed work in that context," the Minister said.

The Minister is interested in the impact of internet auctions. She says, "The assumption has always been that auctions will be held in a public place and that people will be able to see and handle the goods, but of course on an



internet auction all you see is a photograph.”

“I think we’ve got to say to people ‘you must exercise the same caution on the internet that you would in real time’,” the Minister added.

And, of course, there is the follow up work to legislation that was passed in the first term. The CCCFA (Credit Contracts and Consumer Finance Act) came into force in April 2005 and improves the information disclosure requirements for consumer credit transactions and regulates methods of interest charging, fees and payments.

It also regulates consumer leases and allows for changes to the terms of contracts on the basis of hardship to a consumer. The CCCFA provides for the reopening of oppressive credit contracts, penalties if the Act is breached, and an enforcement role for the Commerce Commission.

This is an area the Minister is particularly interested in.

“Most people who are used to borrowing are reasonably adept at it, but there are vulnerable groups for who it is really important that we make information simple and available so that they understand their rights,” Judith Tizard said.

The Minister’s ideal would be to see both traders and consumers get it right the first time.

“We need to go on refining the Motor Vehicle Sales Act, to reflect the fact that car yards and car dealers do not operate as they did 20 or 30 years ago.

“What we want are consumers to have as much protection as possible, but also to let people make as many choices themselves as they possibly can. That balance is always a

shifting one, and that’s part of my job,” Judith Tizard said.

In the international arena, the Ministry of Consumer Affairs is looking at designing effective cross-border information sharing and enforcement cooperation programmes with other countries.

“We are also doing a lot of interesting work with Australia. I think that we are able to test processes reasonably quickly and easily here, and I think the Australians are very interested in that,” she said.

Following on from that, the Ministry is looking to coordinate laws with other countries (and in particular Australia in the context of the single economic market) to minimise technical barriers but still allow New Zealand the ability to regulate in ways that reflect unique New Zealand conditions or preferences.

The Ministry of Consumer Affairs works closely with different groups to get information out to different sections of the community.

“I am very keen to work closely with voluntary and community networks such as the Citizens Advice Bureaux, the Maori Women’s Welfare League and the Community Law Centres,” the Minister said.

“It’s a matter of having the appropriate information at the appropriate level and people knowing what channels they have, and how to then step up for more advice.”

Finishing up the interview, I asked the Minister what interests she has outside of the world of politics. The answer: “politics”, but the Minister’s staff can attest that she cooks a mean friand too!

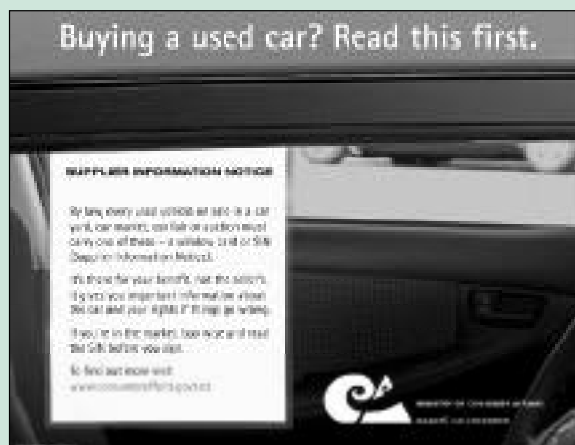
It’s a SIN not to have one

When buying a second hand car there’s some information you always want to know – the mileage, the WOF and the licensing details. Following on from that, Consumer Affairs Minister Judith Tizard has announced that the government is reviewing the “window card” information which second-hand motor vehicle traders are required to provide to consumers.

The window card – otherwise known as the Supplier Information Notice or SIN Card – provides information about the car’s “birthday”, import history, mileage, accident record, the fuel it uses, warrant of fitness and licensing details, as well as consumers’ rights of redress.

“Motor vehicles are often one of the biggest financial commitments a consumer makes. And they’re technically

complex. So it’s vital that consumers receive useful and accurate information to allow them to make informed decisions,” says Judith Tizard.



The government has been reviewing whether the Supplier Information Notice is meeting consumers’ needs.

A SIN must be attached to any used motor vehicle sold by a motor vehicle trader – whether this is at a traditional car yard, at a car fair or display for sale operation. If a trader is selling used cars on the internet they must have a link to the SIN on the same web page as the car is offered for sale.

The Ministry of Consumer Affairs ran advertisements in many of the car sales magazines, newspapers and on relevant websites to draw attention to the fact that second hand cars must have their SINs displayed for all to see.

Global Crackdown on Scammers

Lottery winner scoops \$60 million in Taupo! Well, not really, although for a fleeting moment some people may have thought so. But sadly no one will be selling up and moving to a tropical island to spend their days relaxing on the beach.

Instead, residents of Taupo were among those recently targeted in another scam claiming to be from a lottery organisation based overseas. Taupo dwellers became suspicious when letters arrived for them claiming that they had won a prize in the widely-known Spanish lottery, “El Gordo”, and phoned the Ministry of Consumer Affairs for advice. Unfortunately, their plans were dashed for a new yacht and Porsche when they were advised that the letters they received were a scam.

The advice, as always, is that if it sounds too good to

be true, then it probably is. If you haven’t bought a ticket then you’re not going to be a winner.

In an attempt to crack down on the ever increasing number of scams, over 565 people across Europe and the Americas have been arrested in “Operation Global Con”. Authorities targeted those involved in the ‘419 scam’, or ‘Nigerian scam’, and bogus lottery, prize and sweepstake schemes.

Those arrested were from the USA, Canada, Costa Rica, the Netherlands and Spain.

Closer to home, you can keep track of scams through the Scamwatch website at www.scamwatch.org.nz. The website also has information to keep you informed of the latest scams and advice on how to protect yourself from fraudsters and provides links to the relevant enforcement agencies.

Ministry Advisor Receives Award in Queen’s Birthday Honours

The Ministry of Consumer Affairs’ very own Kitty Bennett will have to order some new business cards now she has been awarded the MNZM (Member of the New Zealand Order of Merit) in the Queen’s Birthday Honours List for services to Maori.

Kitty is the Senior Capability Advisor with a particular focus on Maori, and has been with the Ministry for several years. Part of her role is to ensure that there is an understanding of issues regarding Maori, and bring that knowledge into the Ministry to form policy based upon this. By engaging with the Maori community, Kitty is able to ensure that consumer information is passed on into the community and thereby build a knowledge base allowing the consumer to make informed decisions and choices.

Kitty is delighted with the award, but, in typical Kitty style, is very modest: “It is wonderful to receive this award, but this award is not just for me, it is representative of the work of everyone who makes things better for the community,” she said.

Along with her work at the Ministry, Kitty has also recently been National President of the Maori Women’s Welfare League. Kitty’s involvement with the League began at the Rotorua branch more than 20 years ago.

Kitty’s term as President saw her achieve some major accomplishments. In 2003 Kitty presented a report on the ‘Status of Maori Women’ to the United Nations in New York,

as part of the New Zealand Government’s responsibilities as a signatory to CEDAW (Convention for Elimination of Discrimination Against Women).

Kitty has also contributed to the development of the New Zealand Action Plan for Human Rights and actively supported the Human Rights Commission’s community dialogue on Human Rights and the Treaty of Waitangi.

Everyone in the Ministry congratulates Kitty on her award and thanks her for all of her achievements and accomplishments, both for the Ministry and the community. Well done Kitty! Ahakoa he iti, he pounamu.



Kitty Bennett receives a letter of congratulations from Glenn Webber

Safety with LPG Cabinet Heaters

LPG cabinet heaters are a popular and efficient appliance used in many homes to provide warmth throughout the winter. But each year a number of New Zealanders are hurt and sometimes lose their homes in accidents caused by the unsafe use or inadequate maintenance of these heaters.

If you have a LPG cabinet heater, the Energy Safety Service (ESS) in conjunction with the LPG Association and the Environmental Risk Management Authority, have come up with five simple safety tips to keep you warm and safe this winter:

1 Test your connections

After securely connecting a new or refilled cylinder, apply soapy water to the cylinder connections and turn on the cylinder. If bubbles appear you have a leak. Close the valve and call an LPG service agent.

2 Safe space

Always keep your heater at least 1 metre away from anything that could catch on fire. Put a safety guard around your heater if you have young children in your home.



3 Fresh Air

Keep a window open when you use your LPG heater, to help remove heater emissions, keep the air fresh and reduce condensation. Never use LPG heaters in bedrooms and bathrooms.

4 Use your nose

If you smell LPG, TURN OFF your heater IMMEDIATELY. Call in an LPG service agent.

5 Get a check up

Get your heater and cylinder checked before winter every year by an LPG service agent. So you know they're in a safe condition for winter.

Almost half a million safety message 'swing tags' with these five tips have been sent to over 550 LPG filling stations around New Zealand, so they can be attached when LPG cylinders are refilled.

Associate Minister of Energy, Hon Harry Duynhoven said: "Everyone who uses an LPG cabinet heater should take note of the campaign's messages and take action on how to keep warm but safe."

For more information on keeping safe and warm this winter, visit www.ess.govt.nz

First Certificates of Competency Issued

In a positive move to create consistency in training and certification for those working across the gas industry sectors, July saw the first of the new Certificates of Competency issued.

This new qualification brings together national standards, industry protocols and company specific instructions into one nationally recognised certification process. The competency framework recognises various qualifications at different levels, dependant on what an individual employee works on within a company and at what level.

Presenting the first of the Certificates to the 16 people who have gained them, Associate Minister of Energy, Hon Harry Duynhoven, said:

"It is the combination of hard work from training organisation EXITO and the gas industry, whose cooperation has ensured that this initiative has got off to a great start. It is an important step in managing the competency aspect of safety, and with effective communication between the government and industry, this initiative will certainly lead to improved safety."

The Certificate of Competency has been formally adopted by the gas industry as the minimum requirement for those working in the Distribution and Gas Measurement System sectors. All are committed to this initiative, which will become the industry minimum competence qualification.



Paul Mullen receives his Certificate of Competency from Hon Harry Duynhoven

Consumer Representatives Meeting

In May this year Consumer Representatives from around New Zealand met to share skills and knowledge and to extend their community networks.

The Ministry of Consumer Affairs (MCA) has been running the Consumer Representative Network since 2003, when the network was established to provide a pool of Consumer Representatives for nomination to government agency boards, advisory groups and committees.

When government agencies make appointments to such groups it is important for consumer interests and perspectives to be represented. Consumer Representatives have the potential to make a real difference, adding value to government and community decision making and provide a voice for consumer interests to be heard.

The MCA recruits and trains Consumer Representatives from around the country. Representatives follow a set of guidelines that spell out the qualities of good consumer representation.

Indicative qualities of an effective Consumer Representative include:

- A track record of achievements for the community
- Is respected for their integrity in the community
- Knows the realities of ordinary people's lives
- Knows what is practical/possible, and sensible/rational and realistic/probable in the community
- Has broad community networks that he/she consults regularly and is accessible to the community.
- Demonstrates a comprehensive understanding of confidentiality

The meeting in May saw Consumer Representatives extend their networks, share skills and knowledge, and provide the opportunity for recently recruited Representatives to meet those who have been doing the job for a while. The meeting also gave the opportunity for MCA staff to meet members of the network and engage in discussion around policy and how the network could perhaps be used to better inform MCA's policy development.

Consumer Nomination Service

The MCA provides a nominations service to government agencies to assist them with finding a Consumer Representative. When contacted, the MCA looks within its network of representatives for a suitable person with the specified qualities and skill-set.

Coordinators of the scheme, Kitty Bennett and Barbara Robson of the MCA, are responsible for ensuring that newly appointed Consumer Representatives are aware of their responsibilities.

"Part of our role is to make sure that the new Consumer Representatives are adequately versed in the ways of government and statutory boards and committees and are aware of how their input may positively influence change," says Barbara.

"We want to make sure that the new Reps fully understand their role and are able to act with confidence in their role as a Consumer Representative. These network meetings are a great opportunity for everyone to get together and share knowledge."

Consumer Representatives are on a wide range of boards, including the Film and Video Labelling Committee, the Food Safety Authority, the Insurance and Savings Ombudsman, and the New Zealand Qualifications Authority.

Although recruited and put forward for nomination by the MCA, Consumer Representatives are accountable to their constituency in the community. However, the MCA utilises the opportunity for two-way conversations on topics of joint interest to shape policy and proposed legislative change.

For more information about the Consumer Representative nominations scheme, contact Kitty Bennett MNZM or Barbara Robson at the Ministry of Consumer Affairs:

Kitty Bennett MNZM

Phone: 04 474 2692

Email: Kitty.Bennett@mca.govt.nz

Barbara Robson

Phone: 04 474 2181

Email: Barbara.Robson@mca.govt.nz

Information about the Consumer Representative scheme is also available on the MCA's website at: www.consumeraffairs.govt.nz



Maori Women's Welfare League

The Maori Women's Welfare League (MWWL) is one of the few pan-Maori organisations and has more than 200 branches nationally. The kaupapa of the League is to work with Maori women and their families to promote health, culture, history and the well being of all Maori. League members work closely with their communities, providing an ideal opportunity to deliver consumer information directly to targeted consumers at home and in their community.

The League recognises that knowledge is power and ensures that information given is accurate to enable families and communities to make informed choices. Over the past four years, working in conjunction with the Ministry of Consumer Affairs, workshops have been held to promote key consumer messages to Maori communities. This year, eight workshops were held around the country in Kaitaia, Auckland, Te Kuiti, Rotorua, Gisborne, Hastings, Nelson and Waitara.

Issues raised in last year's workshops form the basis for the topics of this year's workshops. The main focuses this year being: safety with gas and electricity; how to make a complaint about an unsafe product or short measure; noise levels in toys; issues with repossessions and loans; and who to contact if you have a consumer problem.

After members have attended the workshops, this consumer information is then passed back into the community through the representatives by a ripple effect. This year saw a wide range of attendees to the workshops, from the MWWL and other Maori organisations, enabling messages to get through to all sectors of the community.

Presenters for this year's workshops included Ministry staff from the Research, Information and Capability group; the Energy Safety Service and the Measurement and Product Safety Service. Our thanks go to them for enabling these workshops to take place and the valuable information they conveyed.

The Ministry of Consumer Affairs is committed to providing all communities with resources enabling them to transact in the marketplace with confidence. This is done through a variety of communication strategies, including working with partner organisations and providing information through websites, information campaigns and a contact Call Centre staffed by trained advisors.



The MWWL meet at Whakatu Marae, Nelson

On the Road with MAPSS By Richard Parlett

The Measurement and Product Safety Service (MAPSS) is part of the Ministry of Consumer Affairs. MAPSS Officers ensure traders are aware of the laws regarding weight and measure. They enforce the Weights and Measures Act by carrying out spot checks of weighing and measuring equipment, checking the weight of packaged goods and investigating complaints from the public. On the product safety side, MAPSS Officers investigate unsafe products, participate in the development of national voluntary standards, and provide policy advice to the Minister.

The weather report in the newspaper read 'Rain, with cold, gale force southerlies gusting to 100 km/h.' Three hours later I was standing shivering in my best suit at the bottom of a driveway to a firewood merchant on the outskirts of Paraparaumu. A bitter wind snapped through my apparel, my thoughts turning to my warm, cosy desk back at the Ministry of Consumer Affairs' Head Office in Wellington, questioning how, exactly, I had ended up here...

Being the new boy at the Ministry, and a recent immigrant from England, I had decided a couple of weeks earlier that in order to learn more about the Ministry's work, it would be a

good idea to get out and about with the guys who work in the field.

My host on this tour was Keith Clark, a MAPSS Officer of over two years who was looking forward to a bit of company on the road. He had been persuaded to take me along by my colleagues, being informed that my witty banter would keep him entertained for the duration of our two day trip.

There are three regional MAPSS offices in Auckland, Wellington and Christchurch which cover the whole of New Zealand. The area covered by the Wellington team is vast, stretching from Wellington up to New Plymouth in the West and Hick's Bay in the East. I was accompanying Keith on a two day excursion to see first hand the measurement work carried out by the MAPSS team which would remove me from the city and plunge me deep into rural New Zealand.

So, an hour or so after Keith collected me from Wellington and following a stop at the MAPSS depot in Petone to collect the equipment needed for our trip, I was in the freezing rain watching Keith introduce himself to a firewood merchant. Keith advised him of how wood can be sold and gave the guy an information sheet detailing his obligations.

The variety of the MAPSS Officer's role is amazing, and as



MAPSS Officer Keith Clark checks the accuracy of scales in a poultry processing plant



Keith's box of tricks, the intricate measurement equipment used by MAPSS Officers.

Keith said, "Almost everything you buy has at some point been weighed or measured." 'Hmmm', I thought, not really giving it a lot of consideration until I was in a poultry processing plant a bit later on.

As chickens were being filleted, chopped and diced around me, Keith showed me the scales used in meat processing plants to ensure that the 1kg chicken you buy in the supermarket is actually 1kg in weight, and how they had been checked for accuracy by an Accredited Person. This meant that the scales had been certified as being accurate for trade by somebody with the relevant government accreditation. One of Keith's jobs is to do spot-checks on these scales.

Our next stop, after a chicken and brie panini in a local café, was a roadside stall selling fruit and vegetables. A lot of Keith's work comes from observation when out on the road. "When I'm making my way around the country I notice new businesses springing up all the time. It's our job to make sure that the owner is aware of the practices they should follow in relation to the labelling of weight, and that the scales they are using are approved and accurate," he says.

The next stop was Wanganui as Keith had been invited to make a presentation at the Memorial Hall to local traders who sell produce at regional farmer's markets. Keith was there to advise the traders on how the Weights and Measures Act affects them, and what practices they should adopt.

One of the attendees to the talk was Sheryl Abbott, owner and operator of Havoc Coffee based in Wanganui. "When we

first started trading I wasn't exactly sure what I had to put on the packaging in relation to weight. Keith visited the Farmer's market in Fielding one day where we have a stall and gave me some guidance. Now I have a much clearer understanding of what I have to include on my packaging," she says.

The main ethos of Keith's work is to get information across to traders. In rural areas this usually means getting out and about, meeting people and giving information face to face.

After spending the night in Wanganui we were up at the crack of dawn the next day to carry on the tour. Our first stop was a supermarket in Marton where Keith checked the scales at the checkout for accuracy using his box of tricks (pictured) and also checked the weight of some pre-packaged goods to see if the actual weight matched the weight printed on the packaging.

Just down the road from the supermarket was a place I was looking forward to visiting – the home of beer in New Zealand. This large malting factory supplies many of the main breweries in New Zealand. Again, I was surprised as to the involvement of MAPSS in this. All became clear once we had pulled up into the plant.

A train sat stationary and Keith explained that it was on a weigh bridge. When a train arrives with barley on it, it pulls into the weigh bridge and a weight of the product is shown on a display.

The next stop was a sales yard in Fielding. As a city boy this was a whole new experience for me. The aroma of rural life hit me as I walked into the yard. "Why are we here?" I asked Keith, gagging. "Come and see," he said as he guided me into a large hall where a cattle auction was about to start.

Assiduously avoiding the eye of the auctioneer for fear of inadvertently purchasing a herd of cows and having to explain to my flatmates back in Wellington why Daisy was eating the herb garden, Keith told me why we were here. He pointed out the scales that the cows are herded onto so a weight can be given for potential buyers to see. With a cow going for around \$1,000 a head, the price per kg is very important, so the scales have to be accurate.

Leaving Fielding we headed back south to Wellington, calling in to a petrol station in Palmerston North to investigate a complaint from a member of the public. The complainant believed that he had got less petrol in his tank than he was charged for at the pump. "This is another side of the role," commented Keith, "When people believe they have been short-served we go and see the retailer to take a look at the situation."

In this case the petrol pumps had been tested recently by an Accredited Person so there was little likelihood that the pumps had been misbehaving.

Arriving back in the bright lights of Wellington, I thanked Keith for his tour, both of the work of MAPSS and of the lower North Island. We bade an emotional farewell and I returned to my office, a little wiser to the work done by the folks in the field.

Getting the Right Advice On-Line

Getting information out and across to consumers and traders is a key priority for the Ministry of Consumer Affairs. By ensuring consumers and traders are aware of their rights and responsibilities, together we can create an environment where the consumer can transact with confidence.

The Legal Services Agency's LawAccess website provides one source of combined information from different agencies in New Zealand who offer advice. This website provides online access to legal information and resources.

The LawAccess website is a 'one-stop shop' for consumers seeking which organisation, advisory group or government body they can get information from in relation to their specific query. For example, searching for "credit" brings up information from the Ministry of Consumer Affairs, the Consumers' Institute and the Commerce Commission.

The LawAccess website has been revamped with a new look and added features to improve electronic access to legal information. LawAccess links to a host of resources, in the form

of booklets, videos and websites. Under the 'Consumer' section, the Ministry of Consumer Affairs lists all of its resources.

Other features of the site include a new glossary of commonly used legal terms. Users will be able to gain greater insight into legal language, and get definitions of commonly used phrases such as 'caveat emptor' - the Latin term for buyer beware, along with 'compensatory damages' and 'bad faith'.

The Strategic Development Manager at the Legal Services Agency, Frances Blyth says, "LawAccess also provides contact details for Community Law Centres, links to the Citizen's Advice Bureaux website, and can help you find a lawyer via the New Zealand Law Society."

The new look LawAccess site features a bloodhound image which was chosen to reflect the intention of the site - to help track down legal information, and support the Legal Services Agency's mission: helping



people access justice.

Take a look at the new site at www.lawaccess.lsa.govt.nz

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