



## NEGOTIATING MANDATE

**TO:** Chairperson of the Select Committee on Trade and International  
Honourable D Gamede

**NAME OF BILL:** Legal Metrology Bill (Section 76)

**NUMBER OF BILL:** [B34B-2013]

**DATE OF DELIBERATION:** 11 February 2014

### VOTE OF THE LEGISLATURE:

The Gauteng Provincial Legislature supports the principle and the detail of the bill and therefore votes in favour of-

- Legal Metrology Bill

**HON. M. MGCINA**

Chairperson of Economic Development Portfolio Committee

GAUTENG PROVINCIAL LEGISLATURE

Date: 11/02/14



## **GAUTENG** LEGISLATURE

### **ECONOMIC DEVELOPMENT PORTFOLIO COMMITTEE REPORT ON THE NEGOTIATING MANDATE ON**

#### **LEGAL METROLOGY BILL [B34B-2013] (Section 76)**

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#### **1. INTRODUCTION**

The Chairperson of the Economic Development Portfolio Committee Hon. Mafika Mgcina, tables the Committee's Negotiating Mandate on the Legal Metrology Bill [B34B-2013], Section 76, as follows:

#### **2 PROCESS FOLLOWED**

The Speaker, Hon. Lindiwe Maseko formally referred the Legal Metrology Bill [B34B-2013], a Section 76 Bill to the Portfolio Committee on Economic Development, in terms of GPL Rules 252 read with 253, 254 and 255 for consideration and reporting.

On Friday, 31<sup>st</sup> January 2014, the Portfolio Committee on Economic Development received a presentation on the Bill from the National Department of Trade and Industry. In the same meeting, the Committee also received a presentation on the views of the executive related to the Bill from the Gauteng Department of Economic Development in terms of rule 253 (3) (a) of the Gauteng Provincial Legislature.

Further presentations received by the Committee were on the research analysis focusing on the socio-economic and financial implications on the bill, followed by a legal opinion on the bill.

The Committee thereafter requested for public submissions on the bill from stakeholders and other interested party, the call for public submissions was published in mainstream newspapers.

The Committee deliberated on the technical and substantive amendments and subsequently adopted the Negotiating Mandate on the Legal Metrology Bill [B34B-2013] in a meeting that convened on Tuesday, 11<sup>th</sup> February 2014.

### **3. PRINCIPLE DETAILS AND OBJECTIVES OF THE BILL**

The purpose of the bill to provide for the administration and maintenance of legal metrology technical regulations in order to promote fair trade and to protect public health and safety and the environment; and to provide for matters connected therewith.

Objectives of the Bill are:

- promote fair trade, industrialisation and to protect public health and safety and the environment;
- provide for the implementation of a regulatory and compliance system for legal metrology by the NRCS and for the administration and maintenance of legal metrology technical regulations; and
- provide for market surveillance by the NRCS in order to ensure compliance with legal metrology technical regulations.



#### **4. OVERVIEW OF WRITTEN SUBMISSIONS**

As part of its functions and obligation, the Committee requested for public submissions on the Legal Metrology Bill [B34B-2013]. However no written submissions were received by the Committee.

#### **5. FINANCIAL IMPLICATIONS AND SOCIO ECONOMIC IMPACT ASSESSMENT OF THE BILL FOR THE PROVINCE**

##### **5.1. FINANCIAL IMPLICATIONS OF THE BILL**

Based on the socio-economic analysis on the bill as presented to the Committee as well as the views expressed by the Executive, the Committee is of the view that the bill as referred to the Committee in its current form does not have unfavourable financial implications for the province.

##### **5.2. SOCIAL IMPACT ASSESSMENT**

- The inception and regulation of legal metrology measurements will ensure that South Africa is able to compete and be in line with other international organisations. As it strives to harmonise its measurements by ensuring that the certification of its measuring devices are compatible with those of other countries, this will enhance competitiveness within South Africa. In addition, this will facilitate trade in measuring devices and other products such as weighing devices; agricultural measuring devices; speedometers and other health related devices such as those that measure exhaust emissions.
- As the bill will be administered by the National Regulator for Compulsory Specifications (NRCS) which deals mainly with the powers of market surveillance inspectors as well as the approval and verification of measuring instruments.
- There are socio-economic benefits related to Legal Metrology, there is consensus amongst experts and economists about some of the economic benefits not limited to consumer protection; fair trade; effective state control and control of fraud; full collection of government taxes based on measurement; and

- full national benefits for commodity exports . It is an important source of government revenue and contributes extensively to the national income.
- On the other hand, social benefits amongst others include support to society; reduction of deaths and injuries from accidents; improvement in the natural environment; and improved health from standardisation of measurement and testing.
  - The bill will mostly benefit consumers as it seeks to safeguard against short measurement or inaccurate measurements. The regulation of measurements will also improve on quality and credibility of such measurements. The risks of misuse will also be managed and tampering with will be avoided.
  - The local industry is also set to be profitable as competitiveness is supported and the industry's playing field will be levelled. On the global scale, expanding the scope of legal metrology will ensure that a technical infrastructure guarantee is provided to ensure that South African products are safe and fit for purchase.
  - The bill will enhance environmental sustainability, through assisting and protecting the environment against hazardous goods and services thus certainly protecting the health and safety of the country. It could also create a good image of South Africa as there will be adequate security measures with regard to trade transactions.
  - With regards to the financial implications, no additional financial implications will be incurred as the budget allocations is part of the provision the Department of Trade and Industry has made for the NRCS in terms of the mandate by virtue of the existing Act.
  - The technical nature of the bill may contribute to challenges that may be encountered during the implementation stage. This is taking into account the 5C protocols of policy analysis, singling-out commitment and capacity.

**6. VIEW OF EXECUTIVE (THE DEPARTMENT OF ECONOMIC DEVELOPMENT)**

The Department welcomes the bill as proposed and comments made were as follows:

- The view of the Department is that the Bill is properly tagged, in that it falls under Schedule 4 of the Constitution.
- It is therefore correct to deal with it in accordance with the procedure prescribed by section 76 of the constitution.
- Section 18(1) (a) of the Traditional Leadership and Governance Framework Act, 2003 is not applicable on this Bill.
- The National House of Traditional Leaders may not be consulted as the Bill does not fall within their purview.
- The Department is unable to see any provision of the Bill that will negatively affect the Province at least economically.

**7. NEGOTIATING POSITION ADOPTED BY COMMITTEE**

The Economic Development Portfolio Committee supports the principle and detail of the Legal Metrology Bill [B34B-2013].