



COVERSHEET

Minister	Hon David Seymour and Hon Cameron Brewer	Portfolio	Regulation, Commerce and Consumer Affairs
Title of Cabinet paper	Ensuring Trans-Tasman Alignment of Toy Safety Regulations	Date to be published	1 July 2026

List of documents that have been proactively released

Date	Title	Author
June 2026	Ensuring Trans-Tasman Alignment of Toy Safety Regulations	Offices of Minister for Regulation and Minister of Commerce and Consumer Affairs
17 June 2026	Ensuring Trans-Tasman Alignment of Toy Safety Regulations ECO-26-MIN-0097 Minute	Cabinet Office

Information redacted

YES

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Some information has been withheld for the reason of constitutional conventions.

In Confidence

Office of the Minister for Regulation

Office of the Minister of Commerce and Consumer Affairs

Chair, Cabinet Economic Policy Committee

Ensuring Trans-Tasman Alignment of Toy Safety Regulations

Proposal

1. This paper seeks agreement to modernise the Product Safety Standards (Children's Toys) Regulations 2005 (the **Regulations**) by declaring international standards to be product safety standards, in line with equivalent regulations in Australia.

Relation to government priorities

2. The proposed changes to the Regulations promote trade by reducing the costs of supplying toys to New Zealand, while still ensuring toys are safe for children. The changes therefore contribute to the coalition commitment relating to trade and the Government's Going for Growth agenda.

Executive Summary

3. New Zealand currently requires compliance with a joint Australia/New Zealand toy safety standard from 2002 for toys marketed to children under 36 months of age. Regulated toys must meet minimum size requirements for accessible or loose components of the toy and protrusions and requires toys to remain free from these hazards after withstanding stress testing
4. The joint standard has since been superseded multiple times. In 2023, Australia updated its requirements, now recognising comparable European and American standards, as alternatives to the latest joint Australia/New Zealand standard.
5. Maintaining the outdated 2002 reference unnecessarily inhibits trade, as most toys sold in New Zealand are imported and suppliers likely view Australia and New Zealand as a single export market. Aligning regulations with Australia will reduce compliance costs and encourage trade. Alignment would not reduce the safety of toys sold in New Zealand, as the modern standards differ only in minor, non-material ways.
6. To ensure we retain up to date toy standards and enable Trans-Tasman alignment, we propose to amend the Regulations to permit compliance with the same set of standards recognised in Australia. We propose a six-month transition period and consulting publicly on an exposure draft of the updated regulations.
7. Misalignment of our regulations with the equivalent regulations in Australia creates challenges for importers and retailers. A supplier of children's toys recently brought this issue to the attention of the Minister for Regulation through the Ministry for Regulation's Red Tape Tipline.

Background

Product safety regulations under the Fair Trading Act

8. Product safety regulations are made under section 29 of the Fair Trading Act 1986 to address risks products pose to the safety of consumers. Product safety regulations generally do this by requiring products to comply with technical safety standards developed by international standard-making bodies.
9. Products that do not comply with safety standards prescribed by regulations cannot be imported, supplied or advertised for supply in New Zealand. Non-compliance is currently an offence punishable by up to \$600,000. The Fair Trading Amendment Bill proposes to increase this maximum penalty to \$5 million or higher where linked to commercial gain.

Product Safety Standards (Children's Toys) Regulations 2005

10. In 2005, regulations were made under the Fair Trading Act declaring a safety standard for toys for children up to three years of age.¹
11. The Regulations are concerned with airway (including choking) hazards in these toys. To minimise these risks, the Regulations require compliance with parts of a joint Australian/New Zealand standard relating to the toys' mechanical properties, design and durability.
12. The relevant parts of the joint standard impose minimum size requirements for accessible or loose components of the toy and protrusions and requires toys to remain free from these hazards after withstanding stress testing (such as drop and tension tests). The bulk of the joint standard (and its application to children older than 36 months) is not adopted by the Regulations, making compliance with those requirements voluntary in New Zealand.

The standard has been superseded, and Australia takes a more flexible approach

13. Having not been amended since 2005, the Regulations still declare the 2002 version of the joint standard mentioned above (AS/NZ ISO 8124.1:2002). That version has been superseded five times because it is based on an international standard that is often revised (namely, the ISO 8124-1 series).
14. In September 2023, Australia updated its equivalent legislation² in two ways:
 - 14.1. it updated its reference to the joint Australian/New Zealand standard from the 2002 version to the latest, (2023) version; and
 - 14.2. it gave suppliers options for compliance by also recognising both a European and an American standard as alternatives to the Australian/New Zealand standard – having assessed these alternatives as providing a comparable or higher level of safety.

¹ Each year, the Accident Compensation Corporation accepts around 1,250 claims for toy-related injuries to children in this age bracket.

² Now, the Consumer Goods (Toys for Children up to and including 36 Months of Age) Safety Standard 2023

We propose to modernise toy safety regulations consistent with Australia's approach

15. The vast majority of toys sold in New Zealand are imported. International toy manufacturers and distributors may see Australia and New Zealand as a single export market.
16. Differences between the two markets in how toy safety is regulated can impose unnecessary costs on suppliers and may inhibit supply to New Zealand, as the smaller of the two markets.
17. In practice this means that toys tested against the European or American standard can be accepted into Australia, but do not necessarily meet the requirements of the 2002 joint standard adopted by New Zealand.
18. The Fair Trading Act enables product safety regulations to declare more than one 'official standard' as alternative options for compliance, meaning these regulations can be aligned with those in Australia.
19. Our proposal would address uncertainty about whether toys that comply with the European or American standard can be sold here, reduce testing costs for some retailers and potentially increase the range of safe toys available to New Zealand consumers.
20. For the purpose of recognising the European and American standards as acceptable alternatives for compliance, Australia has singled out aspects of those standards that closely resemble those adopted from the joint standard. The differences between these and the aspects of the 2002 version of the joint standard that the Regulations currently adopt are minor (as summarised in the table in the **Annex**) and none of them would appear to increase the burden of compliance.
21. Making three compliance pathways available to toy suppliers is expected to lessen rather than increase requirements while maintaining an equivalent level of safety. In practice, we expect all or nearly all suppliers to New Zealand already comply with one or more of the modern standards we propose to recognise.
22. Further updates to our regulations can be made later if necessary to maintain alignment with Australia. The Fair Trading Amendment Bill includes an amendment that provides for greater ease in updating citations where new versions of safety standards have been released.

We propose to consult industry on an exposure draft of the regulations

23. The regulation-making power in the Fair Trading Act requires consultation with those likely to be substantially affected.
24. The Minister of Commerce and Consumer Affairs intends to consult on a transition period of six months, during which suppliers would have the option of complying with the 2002 standard or any of the modern standards that will be adopted at the end of the transition period. A similar transition period was provided for a recent update to the standard required for multipurpose ladders and reflects MBIE's assumption that regulated toys will tend to comply with the modern standards already.

Cost-of-living and Financial Implications

25. The proposals in this paper are not expected to have a material impact on the cost of living, and any changes are to be addressed within baselines. However, the Ministry for Regulation has modelled the expected costs and benefits of this proposal and estimates it would produce a net benefit of up to \$6.8 million over a 10-year period.

Legislative Implications

26. Amendments to the Regulations will be required to implement the proposals in this paper. The Minister of Commerce and Consumer Affairs will consider feedback on an exposure draft of these regulations before presenting the final regulations to the Cabinet Legislation Committee later Constitutional Conventions

Impact Analysis

Regulatory Impact Statement and Climate Implications of Policy Assessment

27. The Ministry for Regulation has determined that this proposal is exempt from the requirement to provide a Regulatory Impact Statement. The Climate Implications of Policy Assessment (CIPA) team has been consulted and confirms that the CIPA requirements do not apply to this policy proposal, as the thresholds for significance are not met.

Population Implications and Human Rights

28. The proposals in this paper do not have any population-specific implications, and the proposals in this paper are consistent with the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993.

Use of external resources

29. No external resources such as contractors or consultants have been engaged.

Consultation

30. The Ministry for Regulation, the Commerce Commission, New Zealand Customs Service, and the Ministry of Foreign Affairs and Trade were consulted on this Cabinet paper. The Department of the Prime Minister and Cabinet was informed.
31. The World Trade Organisation Committee on Technical Barriers to Trade will be notified once Cabinet approves the proposals in this paper.

Communications and proactive release

32. We plan to announce Cabinet's decisions on this matter soon after they are made.
33. This paper will be published on MBIE's website no later than 30 working days after announcements have been made, subject to appropriate redactions.

Recommendations

The Minister for Regulation and the Minister of Commerce and Consumer Affairs recommend that the Committee:

1. **note** that the Product Safety Standards (Children’s Toys) Regulations 2005 (**the Regulations**) declare a 2002 version of a joint Australian/New Zealand standard that has been superseded five times;
2. **note** that in 2023, Australia modernised its equivalent regulations by citing the 2023 version of this joint standard and by recognising comparable parts of a European and an American standard to give international toy suppliers options for compliance without compromising on safety;
3. **agree** to avoid any unnecessary trade friction created by the Regulations by aligning them with those in Australia so that toys currently regulated in New Zealand must comply with the relevant clauses/subclauses in either of:
 - 3.1. AS/NZS ISO 8124.1:2023 (replacing the current citation of the 2002 version);
 - 3.2. EN 71-1: 2014+A1:2018 (a European standard);
 - 3.3. ASTM F963 – 17 (a United States standard); or
 - 3.4. ISO 8124-1:2022 (the international standard adopted by Australia and New Zealand above);
4. **agree**, subject to consultation on an exposure draft of the regulations, that suppliers be given a transition period of six months, during which they can comply with either the current standard (2002 version of the joint Australian/New Zealand standard) or any of the above;
5. **authorise** the Minister of Commerce and Consumer Affairs to issue drafting instructions to the Parliamentary Counsel Office to give effect to the decisions in paragraphs 3 and 4 above;
6. **authorise** the Minister of Commerce and Consumer Affairs to make additional policy decisions and minor or technical changes, consistent with the policy intent of this paper, on issues that arise during the drafting of the regulations, including decisions on any additions or variations to the relevant clauses/subclauses in the new standards that are necessary to preserve the overall scope and effect of the current regulations; and
7. **note** that the Minister of Commerce and Consumer Affairs intends to release an exposure draft of the regulations for public consultation.

Authorised for lodgement

Hon David Seymour

Minister for Regulation

Hon Cameron Brewer

Minister of Commerce and Consumer Affairs

Annex – Summary of differences between the current standard and the proposed standards as adopted by Australia

Differences with the 2002 version of joint Australia-New Zealand standard as currently referenced in the Regulations		
<i>2023 version of joint standard</i>	<i>European standard</i>	<i>American standard</i>
Exclusions for some additional products from certain tests (fuzz, fibrous filling material, compact discs, toys made entirely of paperboard).	Includes restrictions on accessible sharp edges and points.	Includes labelling requirement for toys with small parts intended for assembly by adults.
	Certain products not obviously included in certain tests. In the case of accessible batteries in toys and toy pacifiers, this is likely because those hazards are addressed by other standards.	Some exclusions from protrusion tests are not obviously made by the joint standard.
Editorial changes and clarifications to testing procedures.	Some testing requirements more prescriptive/stringent. Some differences in which specific kinds of toys have unique requirements (e.g. requirement to soak toys with glued on parts before testing).	Some testing requirements more prescriptive e.g. for mouth-actuated toys.
		More specific application of requirements to toys with nearly spherical ends.