



**MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT**
HĪKINA WHAKATUTUKI



Conformity Assessment Services Survey Report

**Supporting MBIE's Conformance Policy and
Infrastructure Review**

Contents

Purpose	3
Methodology.....	3
Sample.....	4
Conformity Assessment Body Sample.....	4
Conformity Assessment Service Users	5
Accreditation Infrastructure Performance.....	6
Quality of accreditation body services.....	7
Value of accreditation	11
The relationship between accreditation bodies and conformity assessment bodies	13
Conformity Assessment Body Performance	16
Regulatory use of third party conformity assessments and accreditation	20
Clarity of roles and responsibilities	20
Conformity assessment and accreditation for international trade	23
Sustainability, challenges and opportunities for the conformance infrastructure.....	25
Skills constraints.....	25
Confidence in overseas conformity assessments of imported products	27
Make a submission.....	28

Purpose

The Conformity Assessment Services Survey is part of the Ministry of Business, Innovation & Employment's (MBIE) review of New Zealand's conformance system. The review aims to ensure that the conformance infrastructure is working well to support a strong economy, the wellbeing of people and the environment. The questions were designed to provide a snapshot of the performance of New Zealand's conformance infrastructure and test MBIE's preliminary findings against a larger sample of stakeholders.

This report supports the conformance policy and infrastructure review by providing the views of individuals and organisations that have direct experience with the conformance infrastructure. As such, it helps us understand the way the system is being used by people and businesses.

This report presents the responses to key questions in the survey. It provides brief commentary to explain the data. Many of the results are separated by sector in this report to identify if any issues are industry specific rather than systemic.

Methodology

The online survey was distributed to stakeholders throughout the conformance system, and they completed the survey between 26 June and 10 July 2018. The target survey sample were organisations which provide conformity assessments (ie conformity assessment bodies) and organisations which use conformity assessment services. The aim was to hear from stakeholders that have direct experience with the conformance infrastructure.

The accreditation bodies and industry organisations helped us promote and distribute the survey. We also requested participants to share the survey within their networks. Some organisations were contacted directly where it was clear that they may have an interest, such as food producers.

In order to get targeted feedback and make the most effective use of participants' time, the questions were tailored based on participants' responses. There were essentially two surveys, one for conformity assessment service providers and one for organisations which use their services. The first question was used to separate the participants into these two groups. In some cases, the participants both provide and use conformity assessments (eg if they have internal conformity assessors) and these organisations chose between the two surveys by selecting whether their organisation is best described as a provider or user of conformity assessment services.

As our aim was to get a picture of the entire system, the survey was distributed as widely as possible without sample controls or means for determining the representativeness of the sample. This should be kept in mind when interpreting the results.

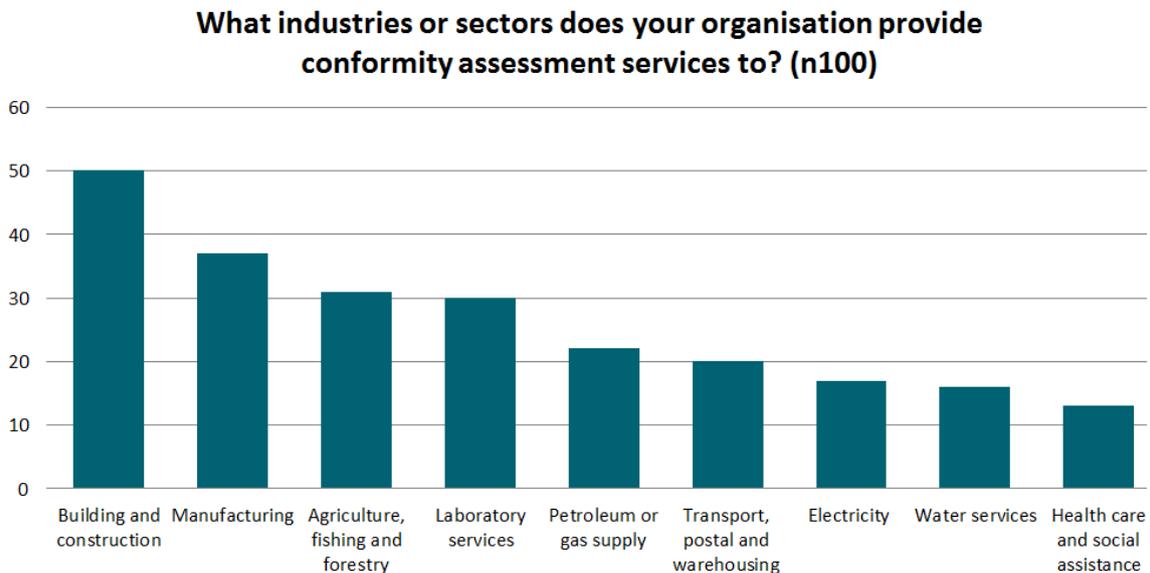
Each section had multiple choice answers and a catch-all open question at the end to ensure that all views were included. Responses to the open questions were often short, and some of these responses are used to provide context for the results.

Sample

There were a total of 267 respondents, including 106 who completed the conformity assessment provider survey and 161 who completed the conformity assessment user survey. The sectors and sizes of the respondents' organisations are set out below.

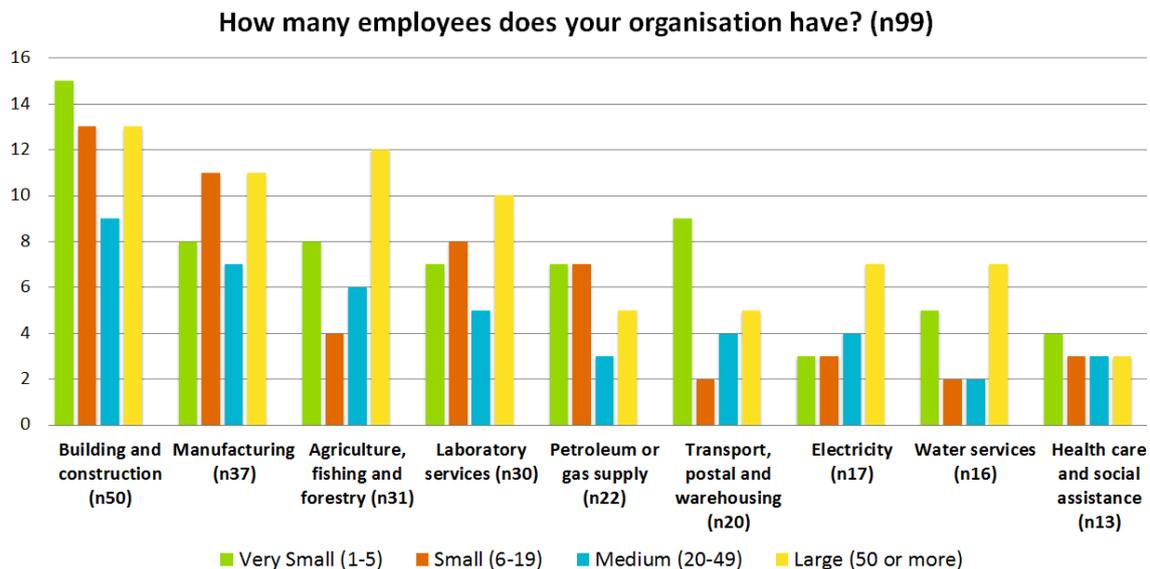
Conformity Assessment Body Sample

There was a diverse range of conformity assessment bodies (CABs) which provide services to sectors from manufacturing to health care and social assistance. The size of the respondent CABs varied greatly, with a large number of small and very small CABs. The following graph shows the sectors the organisations which responded and their industries.



The total number in this graph exceeds the number of participants because organisations provide services to multiple industries and sectors. There is a large overlap in Manufacturing, Building and Construction because 13 respondents indicated that the work in building product manufacturing.

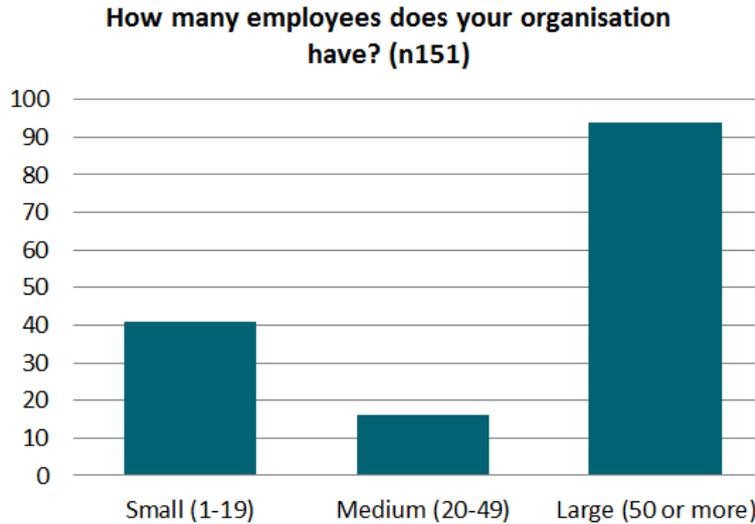
The following graph shows the size of respondent CABs in different sectors.



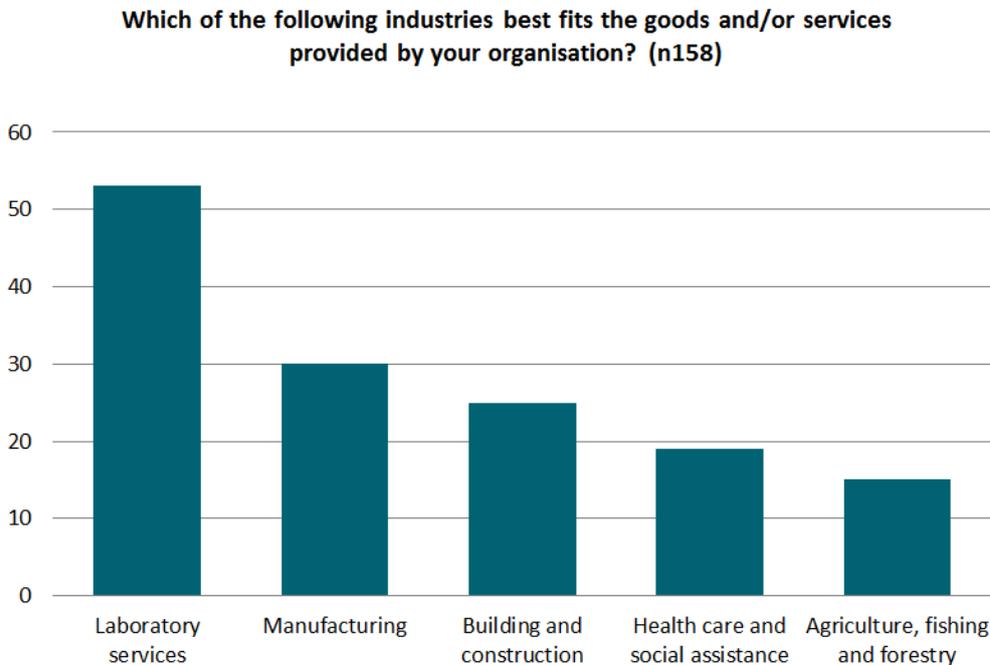
There is a higher proportion of very small CABs in the building and construction, transport, postal and warehousing sectors, and a greater proportion of large CABs in the electricity, water, and agriculture, forestry and fishing sectors.

Conformity Assessment Service Users

There were 161 participants who selected that their organisation uses conformity assessment services. Some of these organisations may in fact both use and provide conformity assessment services, such as organisations with their own laboratory testing services.



Most of the respondents were from large organisations, which does not reflect the overall make-up of New Zealand’s businesses.



This graph shows the sectors with at least 10 respondents. The respondents could only select one industry, so there is no overlap between the different industries. However, participants were allowed to select “Manufacturing – building products”, and the 10 participants who did so have been placed in both the “Manufacturing” and “Building and construction” industries.

Accreditation Infrastructure Performance

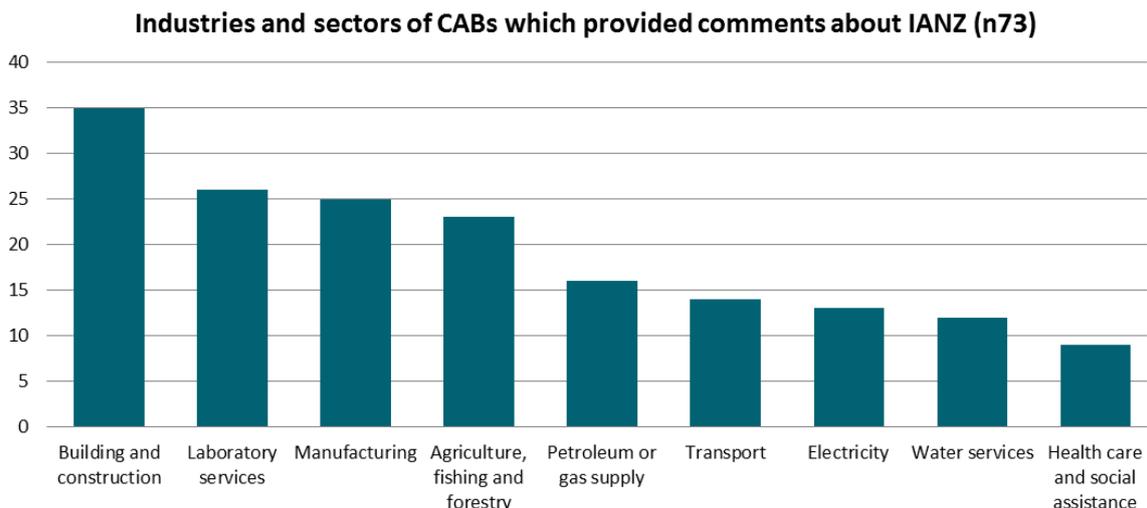
CABs were asked about their experiences with accreditation bodies in terms of the value which accreditation provides, the quality of the accreditation process and their relationship with accreditation bodies. Survey participants indicated the accreditation body they wanted to provide comments about. There are two main accreditation bodies in New Zealand, International Accreditation New Zealand (IANZ) and Joint Accreditation System – Australia New Zealand (JAS-ANZ).

78 of the respondents chose to comment on IANZ which represents between 13 and 18 per cent of IANZ accredited CABs. 11 of the of the respondents chose to comment on JAS-ANZ which represents about a third of the JAS-ANZ accredited conformity assessment bodies with a significant presence in New Zealand. The sample was not controlled, so the responses are not representative of the sector.

The sample of respondents who provided feedback about JAS-ANZ is varied. There are 6 small, 2 medium, and 3 large organisations. There is no single sector which dominated the responses. The building and construction sector has the highest representation with 3 respondents, and it is notable that these responses were not consistently positive or negative. The 2 medium organisations and one of the large organisations service more than 6 different sectors. This list shows the breakdown of the of the sample:

- Adventure activities: 2 respondents
- Agriculture, fishing and forestry: 2 respondents
- Building, construction and building product manufacturing: 3 respondents
- Healthcare and social assistance: 1 respondent
- Multi-sectoral: 3 respondents

The sectoral representation of the CABS which provided comments about IANZ is shown in the graph below.



There is a wide spread of industries covered by the these CABS. Some IANZ CABs provide assessment services to multiple industries and sectors, so the total number exceeds the number of respondents. Of these CABS, there are 21 very small, 20 small, 11 medium and 21 large organisations.

The following graph sets out the reasons why the conformity assessment bodies sought accreditation. This helps to explain why the conformance infrastructure is used and the value sought by CABs.



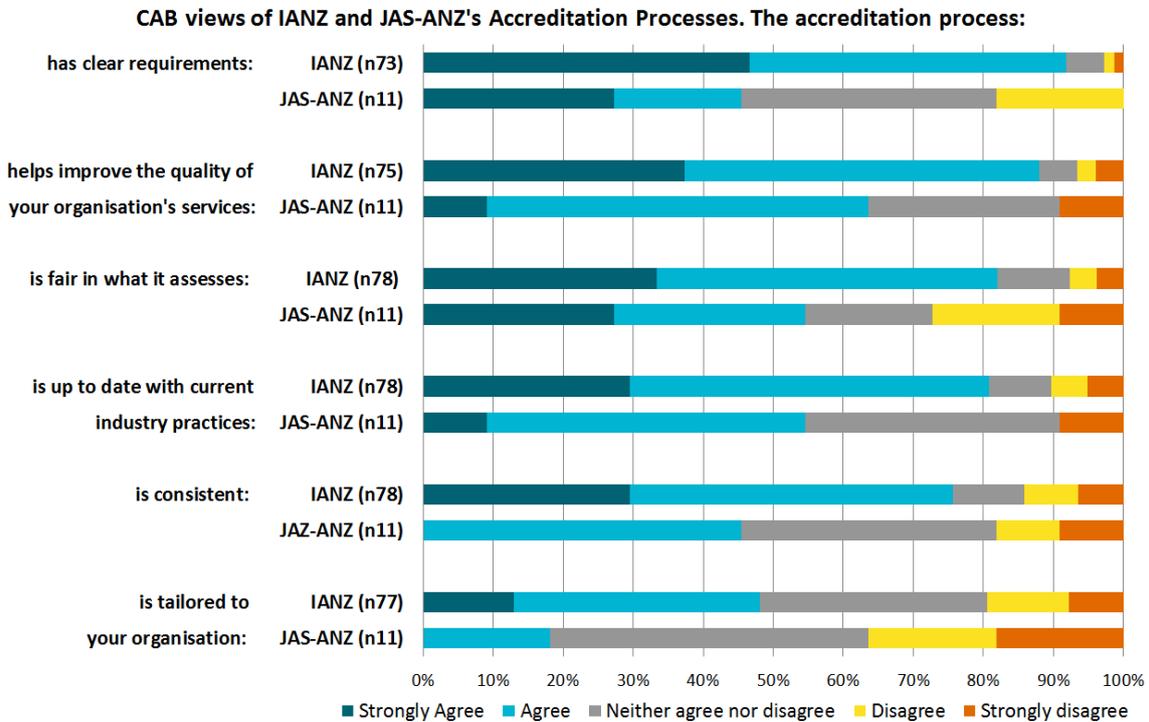
The CABs that were providing comments about IANZ are predominantly using accreditation to meet regulatory requirements. Giving consumers confidence is a close secondary motivation for them. The respondent CABs providing comments about JAS-ANZ were focused on consumers' perspectives of their services. Just under half of all CABs were seeking accreditation to improve the quality of their services.

Quality of accreditation body services

The results show that CABs generally have positive views of the accreditation process, and it is important to note that more than 80 per cent of CABs find that accreditation improves the quality of their services. There is still room for improvement, particularly in efficiency, including consistency and tailoring the assessment to organisations. The sectoral analysis of IANZ's accreditation process indicates that the laboratory services and agriculture, fishing and forestry sectors have a more positive experience. There is more room for improvement in the transport and electricity sectors.

The graphs in this section contrast IANZ's and JAS-ANZ's performance against each other. However, when reading these results, it must be kept in mind that there were different participants providing comments about IANZ and JAS-ANZ, so they were not directly comparing IANZ to JAS-ANZ, and they may have different interpretations of the questions.

The following graph provides a snapshot of the overall views of IANZ and JAS-ANZ’s accreditation process. The aim was to provide a comprehensive picture of participants’ experiences with the accreditation process and where additional value, or increased efficiency could be created.



The results are predominantly positive, with IANZ and JAS-ANZ accreditation clearly helping to improve most CABs’ services. There is a very positive view of IANZ’s accreditation process, with mainly positive responses across all indicators except in regards to how the process is tailored to the organisation. A much higher proportion of JAS-ANZ CABs were neutral, selecting neither agree nor disagree, but the positive views outweighed the negative across nearly all indicators.¹

Participants were asked to identify what worked well in the accreditation process and a large number simply said that the general process worked well. The following quotes are examples of what respondents thought worked well:

The accreditation process is very thorough, including providing goals and recommendations for process improvement.

The actual audit itself and the ensuing discussions around how we can better manage our processes.

Having accreditation lifts the certification / auditing process an extra level, by ensuring that all certified audit bodies are performing at the required level.

¹ In order to test whether the difference in results for IANZ and JAS-ANZ was caused by the high number of IANZ CABs who provide laboratory testing services, the responses of laboratory testing participants were compared against the overall comments about IANZ. The laboratory testers had similar responses to the average response about IANZ, and did not consistently rate IANZ better or worse than other respondents did.

While the positive results are reassuring, it is worth considering where improvements could be made. The responses in regards to consistency and how much the process is tailored to organisations indicate that the efficiency of the process could be improved. Suggestions for improvement were provided in the open questions, and more of the suggestions refer to consistency and efficiency than any other area.

Some of the suggestions for improvement included:

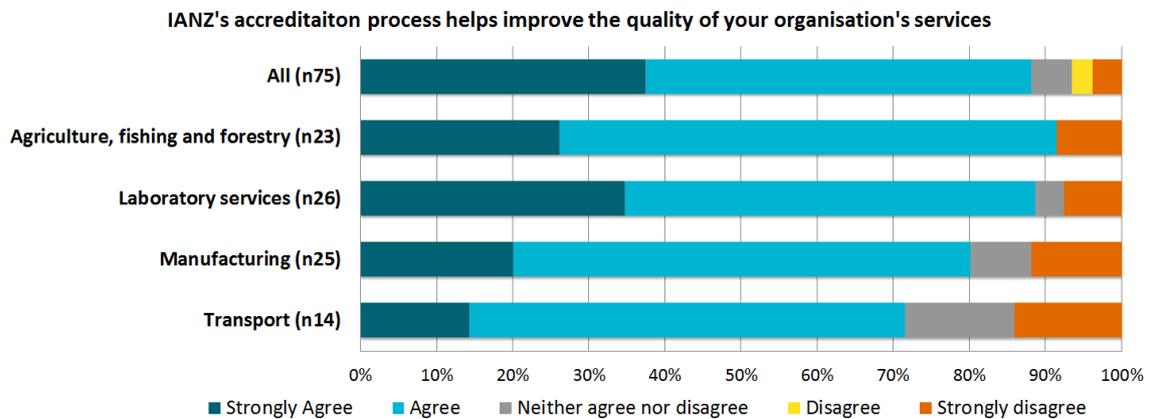
- tailoring the assessment to the size of the organisation
- improving the consistency of assessors and assessments across an accreditation scheme
- reducing the amount of paperwork or making paperwork electronic.

Sectoral breakdown of comments about IANZ

The responses about IANZ have been broken down into different sectors to determine whether the views are systemic or confined to specific sectors. The JAS-ANZ sample was too small to compare organisation size and sectoral responses. The graphs below indicate the most positive and most negative responses by sector where there is notable sectoral variation.

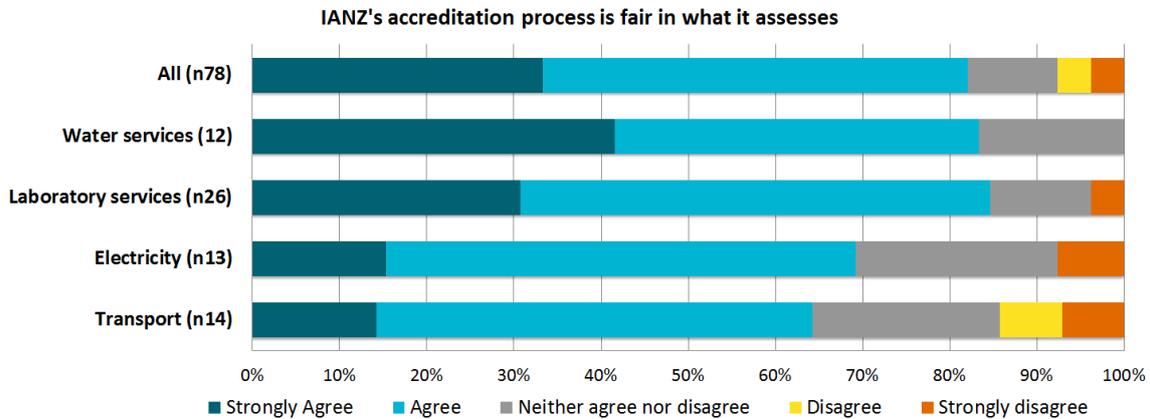
Note that there is an overlap between the sectoral responses, as some CABs provide services to multiple sectors. A disproportionate amount of the respondents from organisations which provide conformity assessment services to multiple sectors gave negative feedback. So, the results for 'All' are sometimes more positive than the best sectoral responses.

The following graph shows whether CABs find that IANZ’s accreditation process helps improve their services across different sectors.



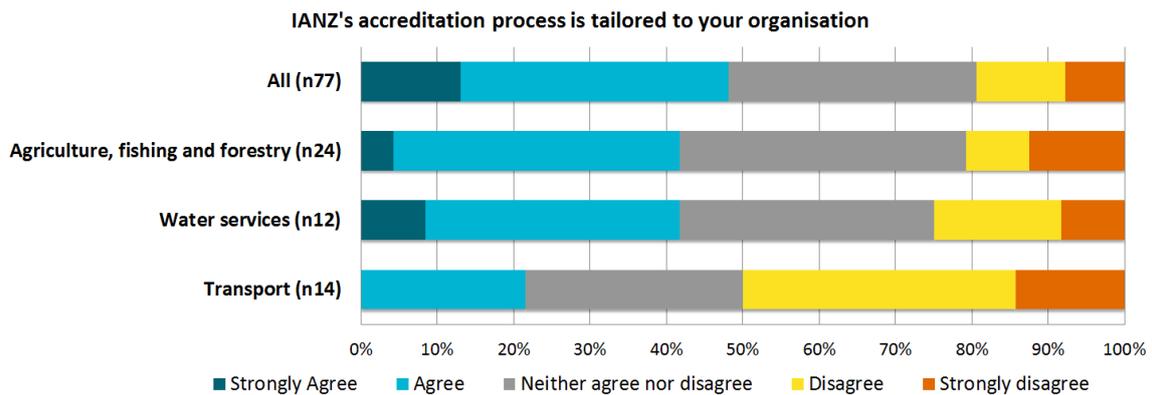
This graph indicates that IANZ accreditation processes help improve the services of CABs in laboratory services and agriculture, fishing and forestry sectors more than in the manufacturing and transport sectors. However, the variation across sectors is small and the responses are very positive.

The following graph shows the most positive and negative sectoral responses regarding the fairness of IANZ’s accreditation process.



This graph indicates that respondent CABs providing water and laboratory assessment services consider IANZ’s accreditation process fairer in what it assesses than CAB’s in the electricity and transport sectors do. The responses are still very positive in all sectors.

The following graph shows the most positive and negative responses regarding the extent to which IANZ’s accreditation process is tailored to CABs in different sectors.

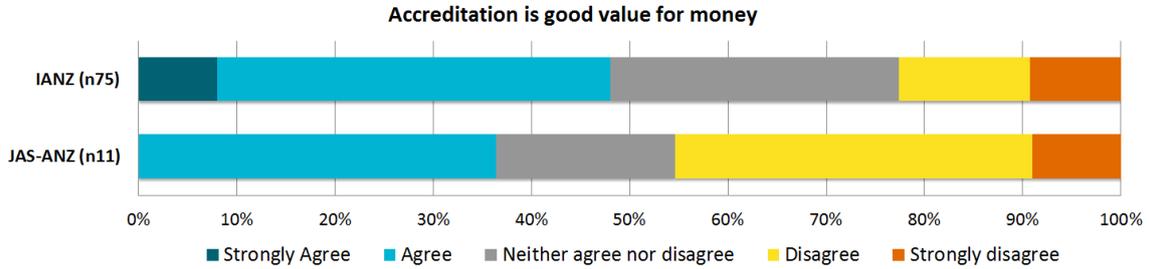


This graph indicates that CABs in the water services and agriculture, fishing and forestry sectors find that IANZ’s accreditation processes are more tailored to their organisation than CABs in the transport sector do. Half of the CABs providing assessment services to the transport sector did not agree that IANZ’s accreditation process was tailored to their organisation, indicating that there could be efficiency improvements in this sector.

There was very little variation across sectors in regards to the consistency of IANZ accreditation processes, the clarity of assessment requirements, and how up to date the processes are with industry practices.

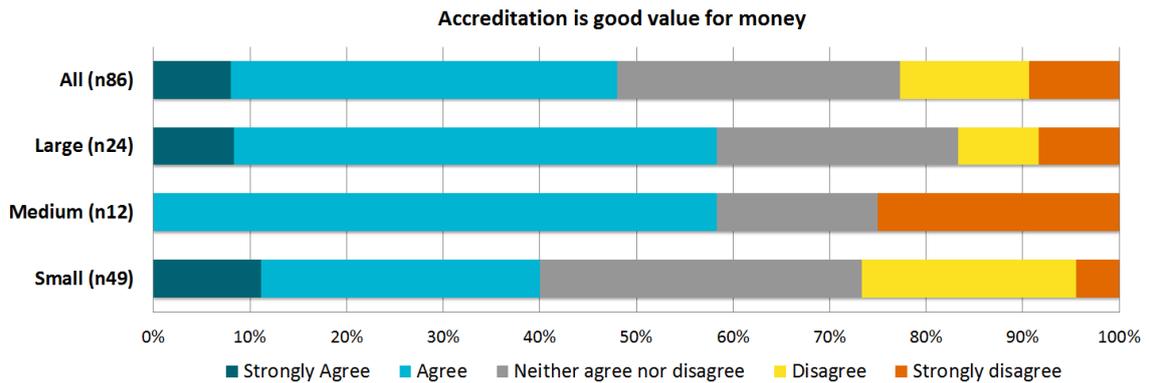
Value of accreditation

As a final indication of the value of accreditation, participants were asked whether they thought accreditation was good value for money.

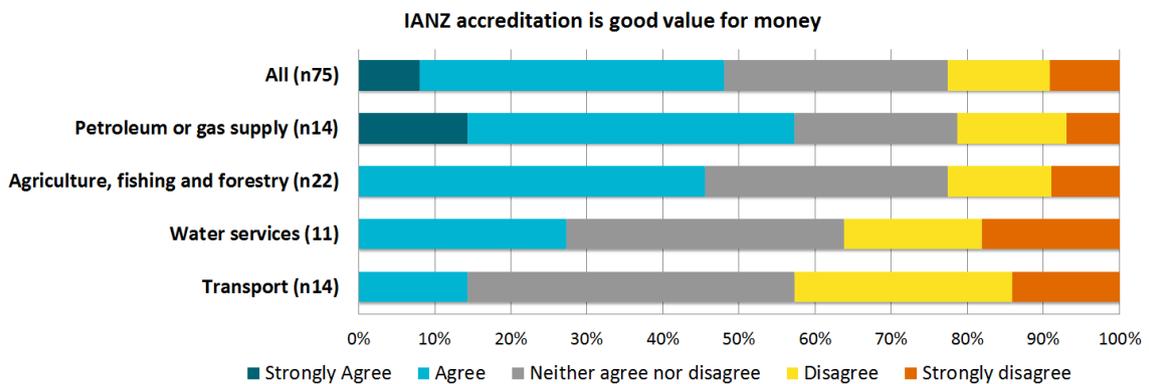


These results indicate some CABs would like more value from accreditation. It is difficult to determine the cause for these responses without further information. Some respondents referred to the cost of accreditation as an area where improvements can be made, pointing out that it is a high cost for small organisations and particularly expensive for ‘newcomers’ to an industry.

Breaking these results down by organisation size shows that fewer small CABs than large CABs think that accreditation is not as good value for money.



There was also sectoral variation in regards to the views of IANZ accreditation, as can be seen in the following graph.



CABs in the agriculture, fishing and forestry, petroleum and gas supply sectors saw more value for money in IANZ accreditation than those in the transport and water services sectors. It does not appear that the variation is due to a difference in the size of CABs in these sectors as there is no difference in the proportion of small and large CABs.

Overview

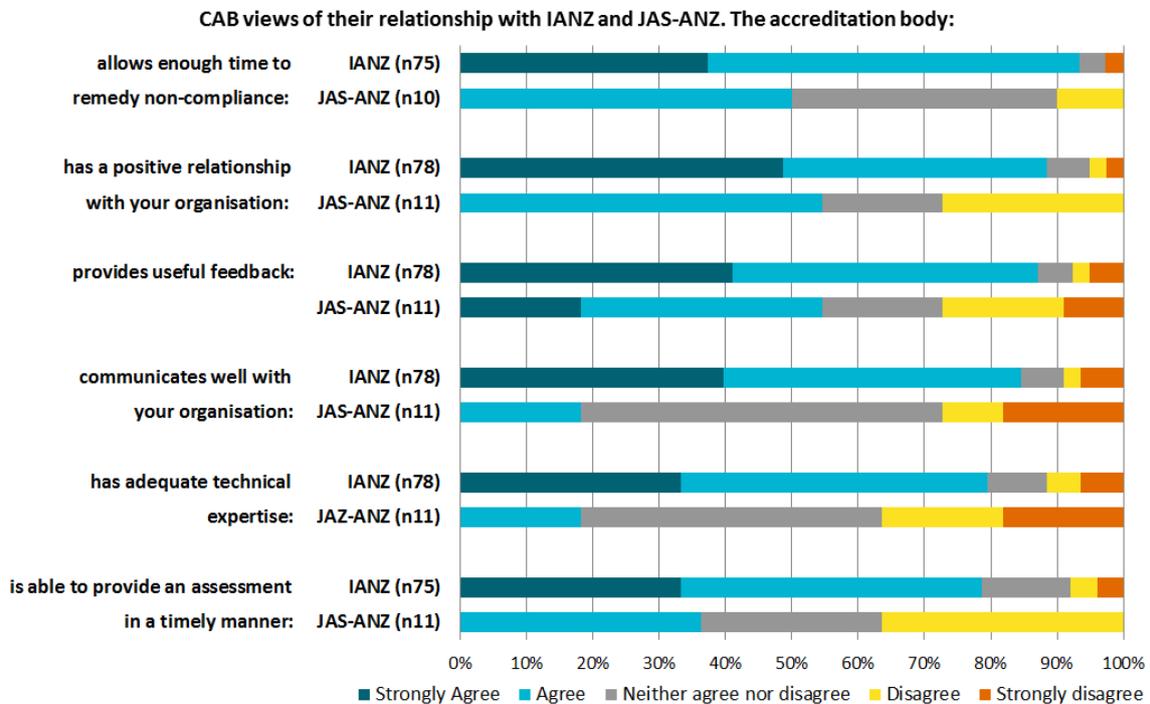
Overall, the results are positive, indicating that accreditation helps CABs to improve the quality of their services. Such a strong positive response is somewhat surprising as we might expect discontented organisations to be more motivated to participate. There is still room for improvement, particularly in regards to efficiency, including consistency and tailoring the assessment to organisations. The sectoral analysis of IANZ's accreditation process indicates that laboratory services and agriculture, fishing and forestry sectors have had a more positive experience. The responses indicated that there is more room for improvement in the transport and electricity sectors.

The relationship between accreditation bodies and conformity assessment bodies

This section provides an overview of CABs' views of the accreditation bodies, with a particular focus on the quality of their relationships and communication. CABs generally have a positive view of the accreditation bodies and their working relationships. IANZ could most improve on providing timely assessments. There is room for JAS-ANZ to improve its communication with CABs, and there is also a perception that JAS-ANZ needs more technical expertise.

The graphs contrast IANZ's and JAS-ANZ's performance against each other. However, when reading these results, it must be kept in mind that there were different participants for IANZ and JAS-ANZ, so they were not directly comparing IANZ and JAS-ANZ and may have different interpretations of the questions.

The graph below provides a general picture of how CABs view IANZ and JAS-ANZ.



IANZ could most improve on providing timely assessments. There is room for JAS-ANZ to improve its communication with CABs, and there is also a perception that JAS-ANZ needs more technical expertise.

In the suggested improvements from CABs, the most common suggestion was for accreditation bodies to provide more timely responses and feedback. However, there were an equal number of participants who said that timely communication was something that worked well, which indicates that there might be variation in the response times. Some suggestions for improvements include:

Assessors are very busy and sometimes replies to queries are delayed.

Communications and response timing after an audit is finished can be somewhat variable.

Time between onsite assessment and issuing of assessment report could be better.

Respondents identified “arrangement dates of audits”, “availability of suitable personnel within available windows” and “scheduling” as areas for improvement, but overall, there were only a few comments relating to this issue and the general feedback is positive.

There are two ways of looking at the feedback on technical expertise. IANZ and JAS-ANZ’s assessors should have expertise in carrying out accreditation assessments, but they also bring technical experts from the CAB’s industry when conducting an assessment. The suggestions for improvement mainly referred to the industry experts, and they identified problems with finding the technical experts in New Zealand’s small market. For example, one participant commented that “it is increasingly difficult to find good technical assessors to look at the technical aspects of our accreditation”. This issue relates to the sustainability of the conformance system, as a short supply of technical experts could increase costs and delays for CABs if they have to find experts from overseas.

Some of the comments relating to accreditation body knowledge include:

The Lead assessor ensures a thorough and methodical approach to the assessment including well documented and specific criteria.

Very knowledgeable and helpful assessors that provide useful feedback for us to further build on.

Product certification assessors don't seem to be adequately knowledgeable, or not knowledgeable of the specific product schemes being accredited

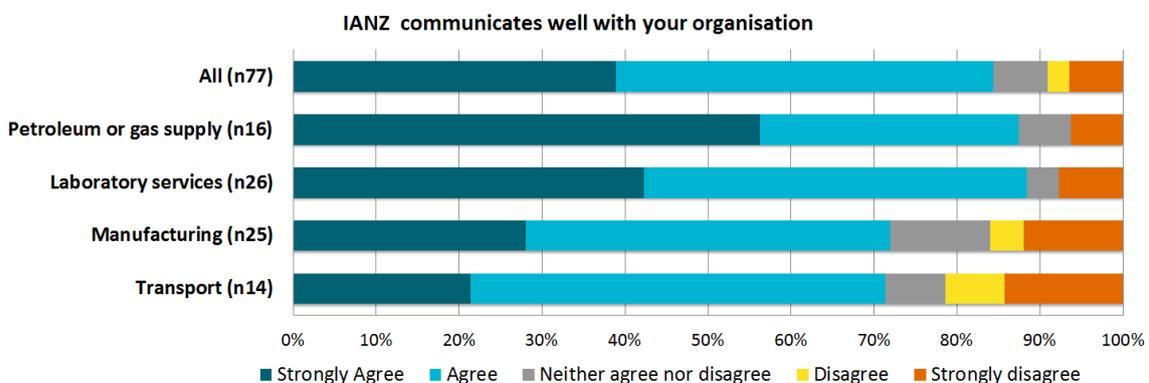
These comments indicate that CABs’ views vary, but that some CABs really appreciate the knowledge which assessors bring to the process.

Some participants identified communications as a positive experience, for example, one participant said that “audit and communications around audits are pleasurable”.

Sectoral Breakdown of comments about IANZ

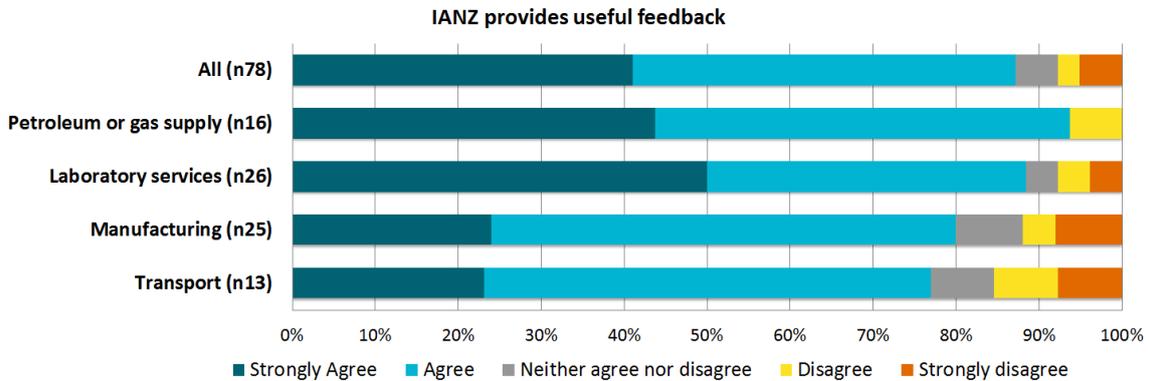
The comments about IANZ were broken down into different sectors to determine whether the views are systemic or confined to specific sectors, and the results are provided below for responses where there was higher sectoral variation. The graphs indicate the most positive and most negative responses by sector.

The following graph shows a sectoral breakdown of views about IANZ’s communications with CABs.



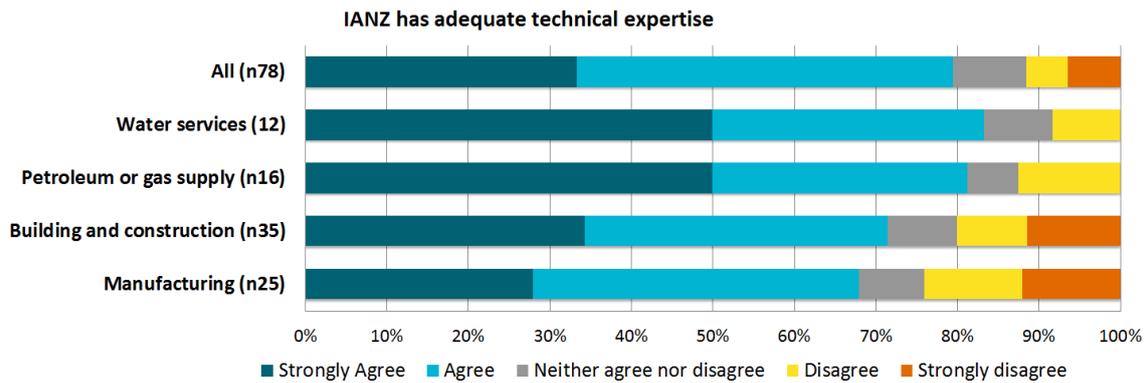
Most respondents across all sectors said that IANZ communicates well with their organisations. There is more room for improvement in the manufacturing and transport sectors.

The next graph sets out a sectoral breakdown of how useful respondents find IANZ’s feedback.



Most respondents across all sectors said that IANZ provides useful feedback. There is more room for improvement in the manufacturing and transport sectors.

The following graph sets out the sectoral breakdown of whether respondents think IANZ has adequate technical expertise.



Most respondents across all sectors said that IANZ has adequate technical expertise. As noted above, most of the open comments about technical expertise referred to the ability for accreditation bodies to find technical experts to accompany their assessors. There is more room for improvement in building and construction and manufacturing sectors.

Overview

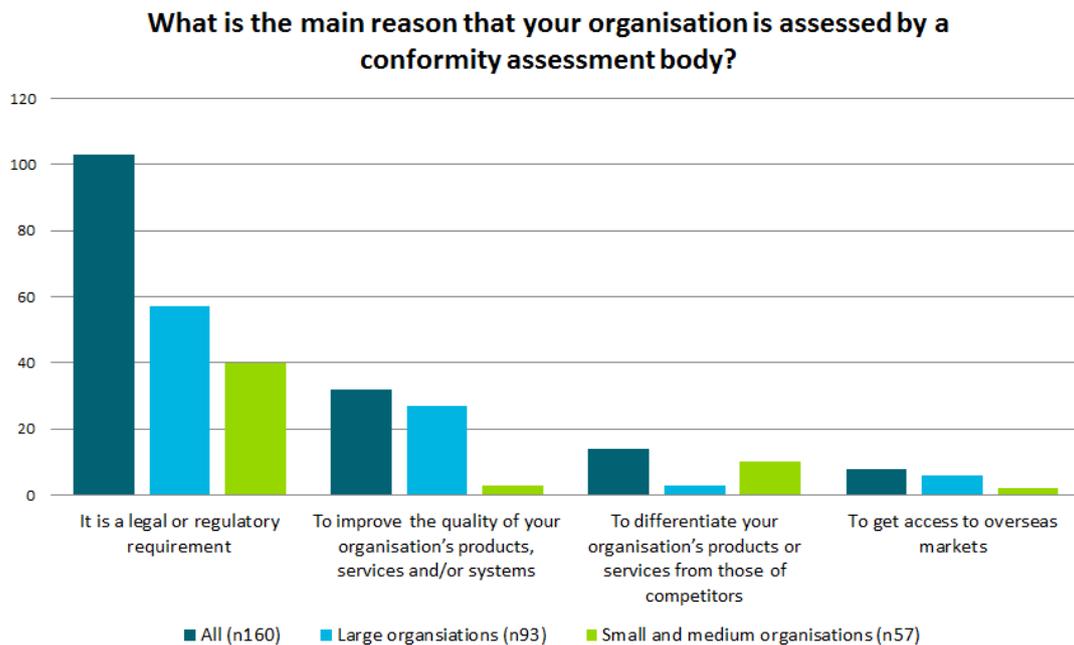
CABs generally have a positive view of the accreditation bodies and their working relationships with IANZ and JAS-ANZ. IANZ could most improve on providing timely assessments. There is room for JAS-ANZ to improve its communication with CABs, and there is also a perception that JAS-ANZ needs more technical expertise. However, the perceived lack of technical expertise may actually refer to the difficulty accreditation bodies are having finding technical experts from the industry to assist them with assessments.

The largely positive responses in regards to accreditation processes and the relationships with accreditation bodies are somewhat surprising given that accreditation bodies assess and provide feedback about CABs’ systems. The assessment process could be seen as antagonistic, but the positive responses indicate that it is constructive and useful for CABs.

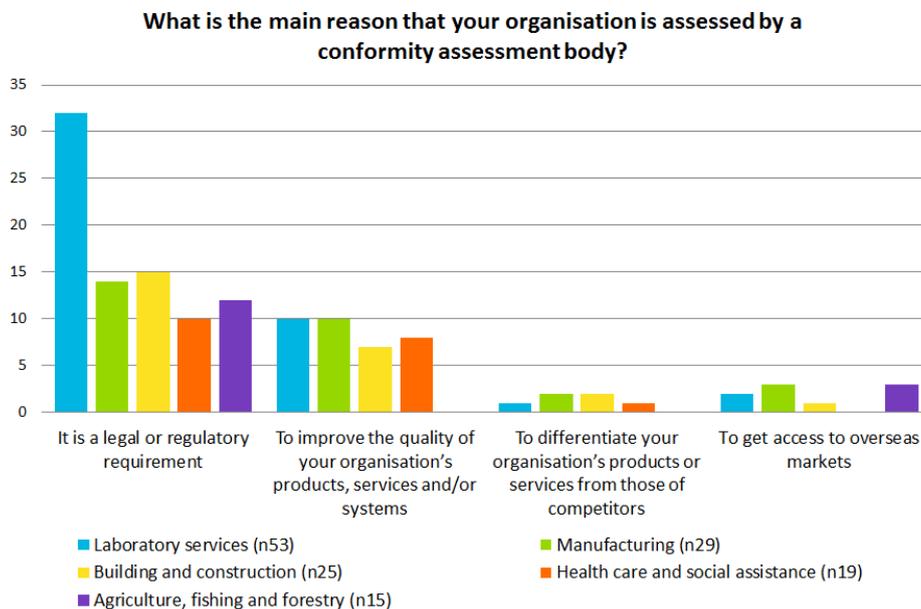
Conformity Assessment Body Performance

We sought the views of organisations which use conformity assessment services. We asked these organisations to comment on and rate CAB performance, and this feedback has been organised into sectors to show where CABs are performing well and where they could improve.

Users of conformity assessment services may have different motivations for undertaking an assessment, and this is relevant to the perceived value that an assessment provides. The graph below shows why organisations get assessed by CABs.

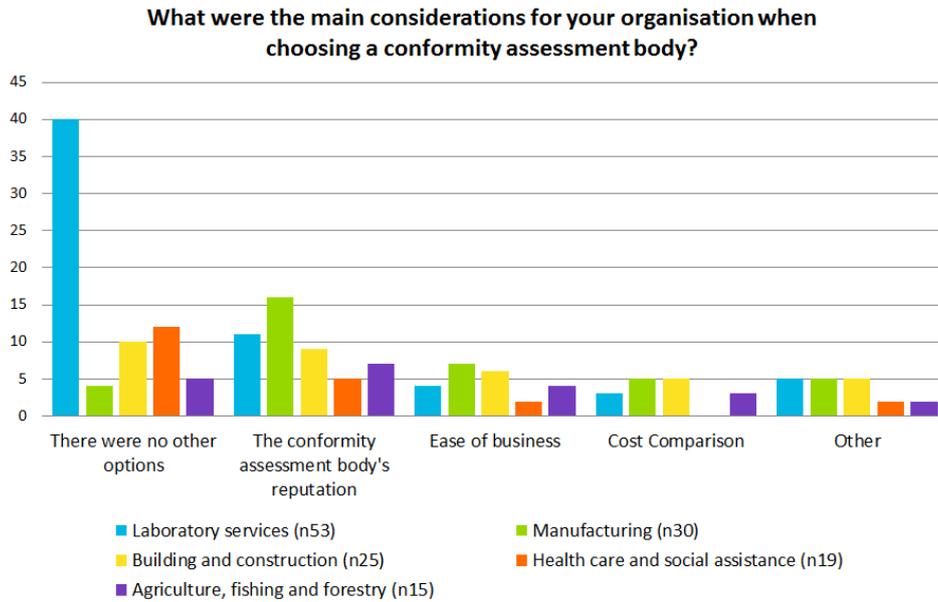


This graph shows that the main reason the majority of conformity assessment users are undertaking conformity assessments is to meet legal and regulatory requirements. This is particularly true for small businesses. The following graph shows how the motivations for undertaking a conformity assessment vary by sector.



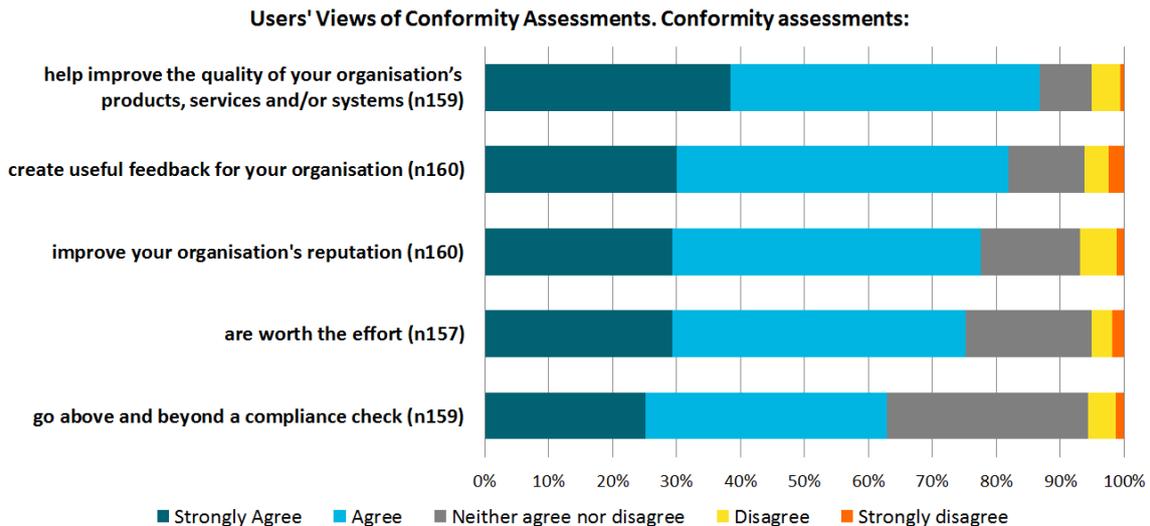
There is significant variation across sectors, as the laboratory services and agriculture, fishing and forestry sectors are more focused on meeting legal or regulatory requirements. Whereas, the manufacturing sector is more focused on quality improvement.

The following graph shows what organisations consider when choosing a CAB, which varies significantly by sector.



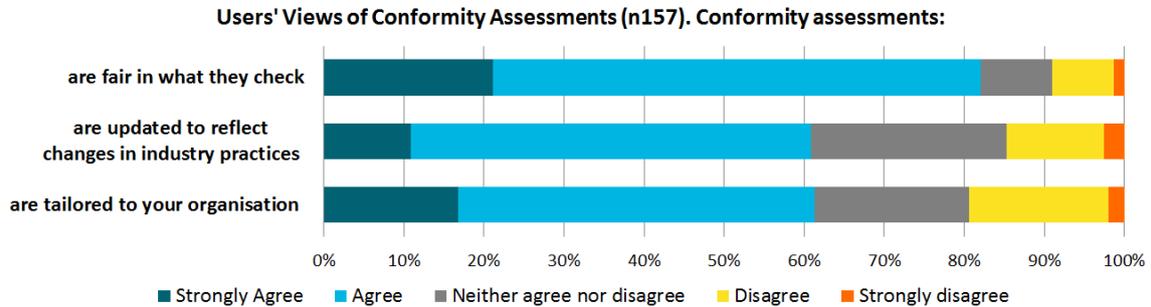
These results indicate that the laboratory services and health care and social assistance sectors find that there are not many CABs to choose from. The manufacturing sector was more focused on a CABs reputation than other considerations.

The following graph provides a snapshot of conformity assessment service users' views of the value of conformity assessments.



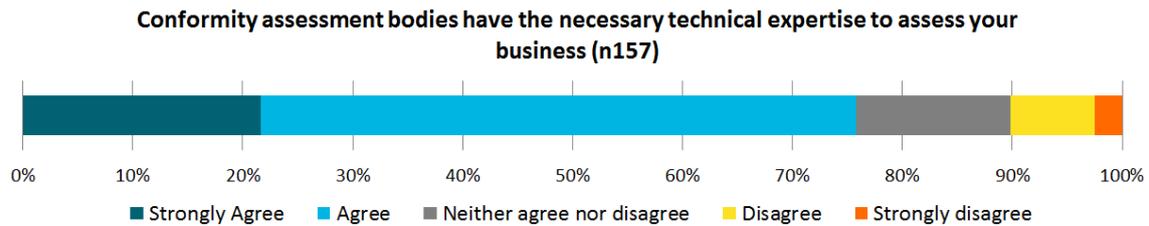
These results are generally positive, especially when considering that many organisations mainly undertake conformity assessments to meet regulatory obligations. The perceived added value from conformity assessments is of particular note, with about 86 per cent of respondents indicating that conformity assessments help to improve the quality of their organisation's products, services and/or systems.

The following graph shows the views organisations have about the conformity assessment processes they have experienced.



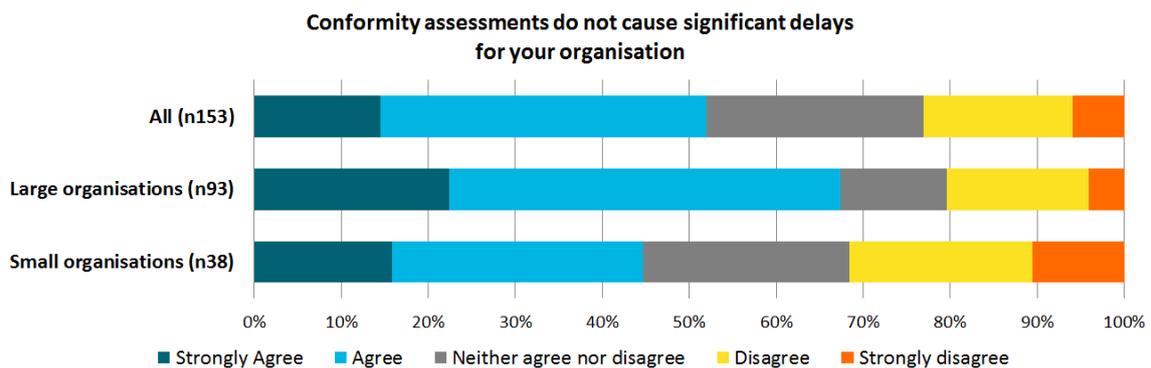
The responses are predominantly positive, and it is notable that more than 80 per cent of organisations think that conformity assessments are fair in what they check.

The following graph shows whether organisations think that the CABs which assess them have the necessary technical expertise.



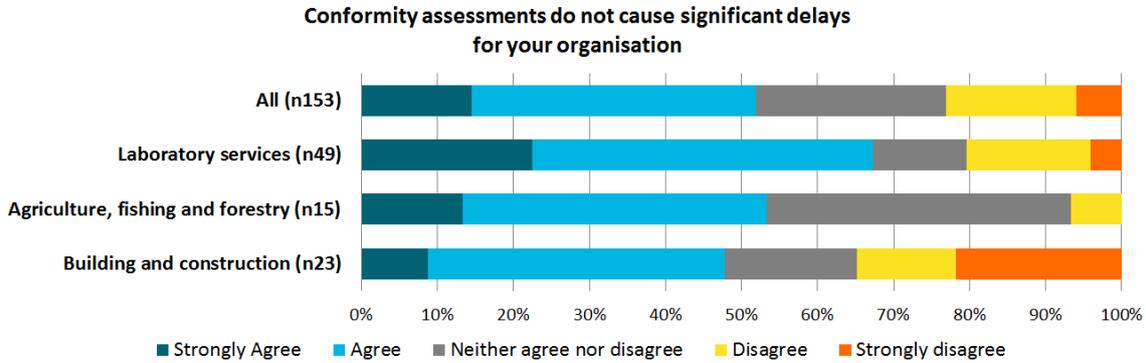
About 10 per cent of respondents said that CABs lacked the necessary technical expertise to assess their organisation. There was very little sectoral variation in these responses.

The following graph shows whether organisations experience significant delays as a result of conformity assessments.



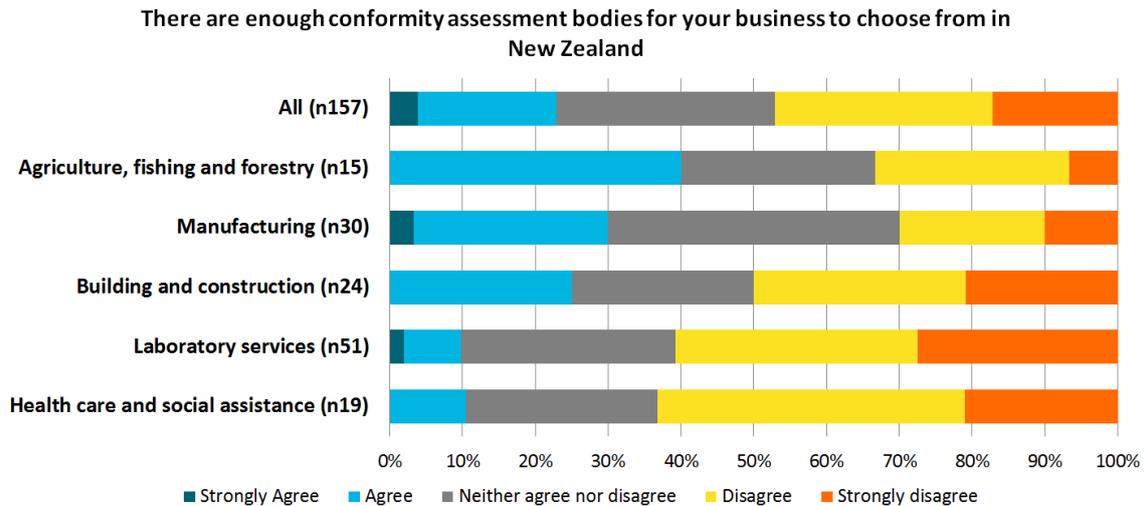
Conformity assessments cause significant delays for about 23 per cent of organisations. Smaller organisations particularly see conformity assessments as causing significant delays.

The following graph shows the sectoral breakdown of the responses regarding whether conformity assessments cause significant delays.



More organisations in the building and construction sector said that they experience significant delays. Only 1 of 15 respondents in the agriculture, fishing and forestry sector said that conformity assessments cause them significant delays.

The following graph shows the views about whether there are enough CABs for them to choose from in New Zealand. It also includes a sectoral breakdown of these responses.



About 47 per cent of respondents said that there are not enough CABs for them to choose from in New Zealand. More than twice as many respondents from the health care and social assistance sector said there was not enough choice than respondents from the manufacturing sector. This indicates that there might be some unmet demand for conformity assessment services in New Zealand.

Overview

Organisations value conformity assessment services and it is notable that conformity assessments help organisations to improve their products, services and systems. Most respondents said that conformity assessments are fair in what they assess. There is potentially some unmet demand for conformity assessment services in New Zealand, and conformity assessments are causing significant delays for some organisations.

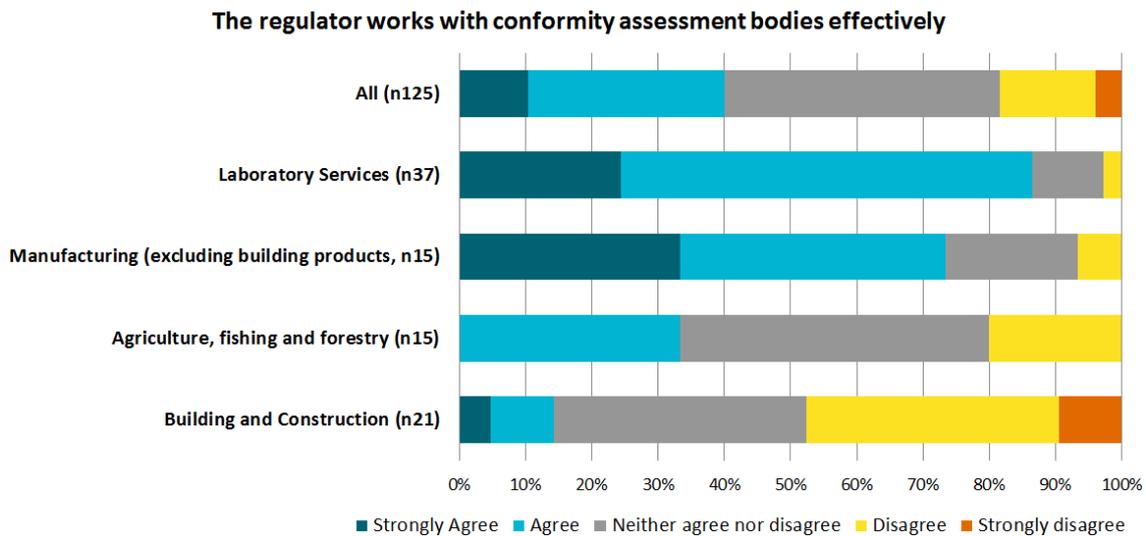
Regulatory use of third party conformity assessments and accreditation

A number of potential issues in the regulatory use of third party accreditation were identified in the preliminary findings of the Conformance Policy and Infrastructure Review. These include the duplication of assessment, communication issues between accreditation bodies and regulators, and a lack of clarity in the roles and responsibilities of key players in the regulatory system. The questions in the survey targeted these potential issues to see if they are systemic or confined to particular sectors. The results show that some regulators could work more effectively with CABs, but generally CABs find that their roles, responsibilities and the standards they assess against are clear.

Clarity of roles and responsibilities

Where the roles and responsibilities of CABs are unclear, this can create unnecessary burdens for businesses or make the regulatory system less effective. Organisations who are required to undertake a conformity assessment by regulations or law were asked about the relationship between CABs and regulators. CABs were asked about the clarity of their own roles and responsibilities. The CABs' responses are largely positive, while the users' responses vary by sector.

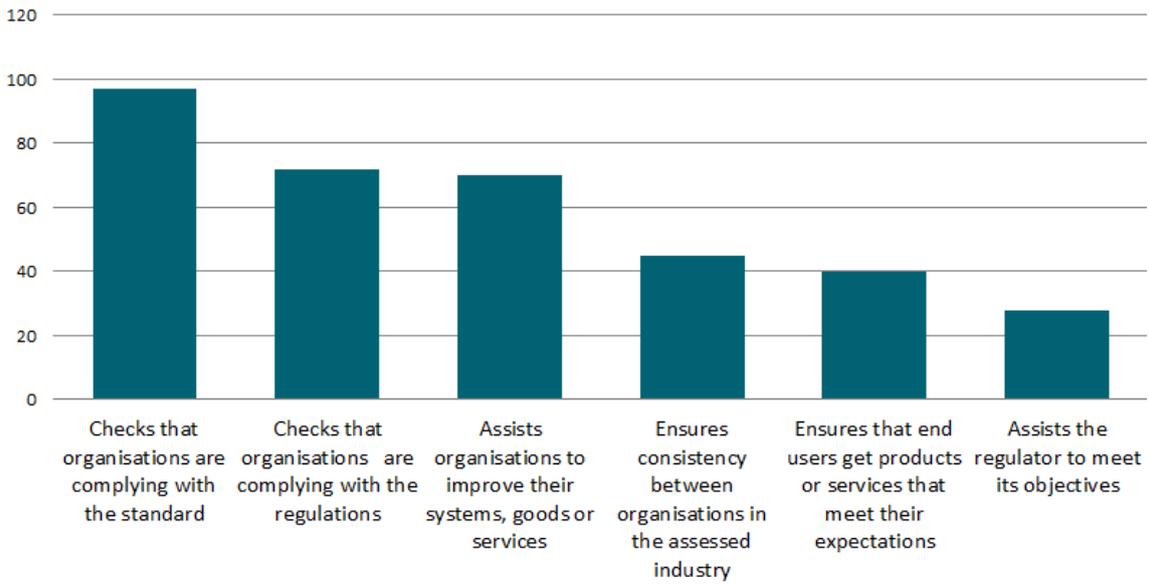
The first part of this section sets out the views of conformity assessment users. There is a clear sectoral divide in the responses, and this indicates that some of the potential issues are sectoral specific rather than endemic to the general conformance infrastructure. The results confirm our earlier findings that the use of conformity assessments and accreditation can be improved in some regulatory sectors, such as building and construction. The graph below sets out the overall view on how effectively regulators work with CABs, and shows clear sectoral differences.



A much greater proportion of users in the Manufacturing and laboratory services sectors said that the regulator works effectively with CABs than in the building and construction, and agriculture, fishing and forestry sectors. Users of conformity assessment services who identified as mainly working in building product manufacturing are included in the Building and construction sector for the purpose of this graph, and they had a very different view to other manufacturers.

The survey also asked users of conformity assessments to identify the roles that CABs play in regulatory systems. The graph below shows the responses to a question where users could select the roles that they thought CABs performed.

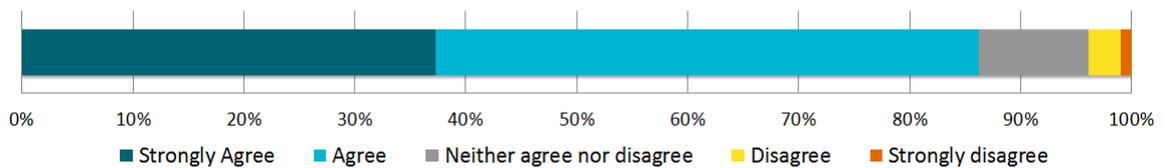
Select the statement or statements which you think accurately describe the conformity assessment body’s role in the regulatory system (n123)



Most of the respondents identified the core function of a CAB, which is to check conformance against a standard or regulation. There was very little sectoral variation, except that no respondents from the building and construction thought that a CAB’s role is to assist regulators to meet their objectives.

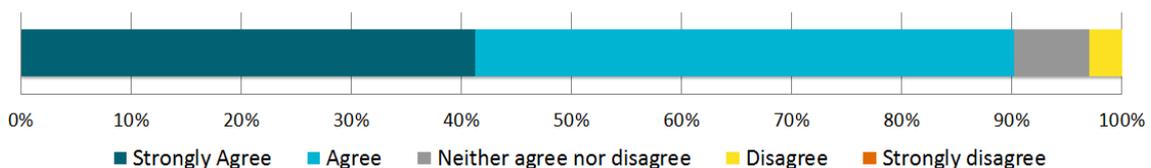
A couple of general questions were put to all CABs about the clarity of their roles, responsibilities and assessment criteria. The responses are very positive and had little variation across sectors or organisation size.

In general, there are clear standards or regulatory requirements for your organisation to use when assessing conformity (n102)



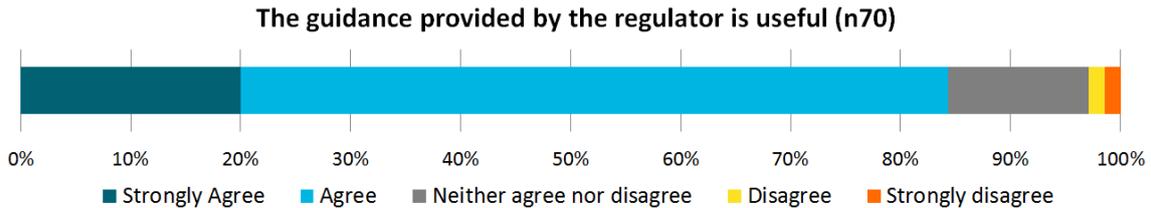
There was not a lot of sectoral variation in these responses. CABs were also asked whether their roles and responsibilities are clear and fit for purpose, as can be seen in the following graph.

In general, the role and responsibilities of your organisation are clear and fit for purpose (n102)

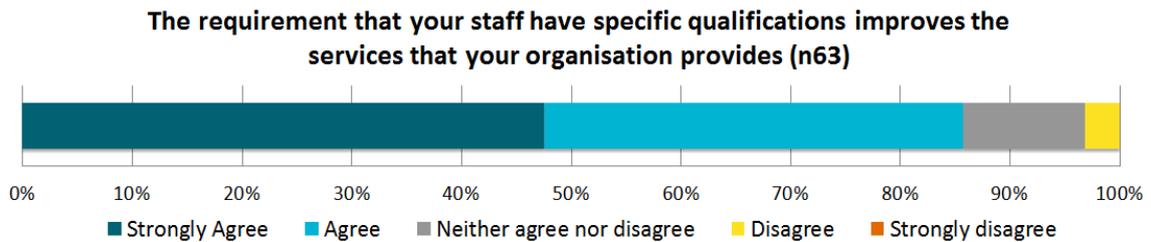


There was not a lot of sectoral variation in these responses either. Overall, these responses indicate that the majority of CABs find that their roles, responsibilities and the standards they assess against are clear and fit for purpose.

The regulator can improve the clarity of roles and responsibilities by providing guidance to organisations with the regulatory scheme. The graph below shows what organisations who are required to undertake conformity assessments thought about the guidance provided by the regulator.



The results clearly indicate that organisations appreciate guidance about how to meet their regulatory obligations in regards to conformity assessments. There was not a lot of sectoral variation in these responses.



These results indicate that respondents think CABs’ roles and responsibilities are clear and fit for purpose. Generally, the view is that the assessment criteria are clear. As such, these results indicate that there are no significant issues in this respect.

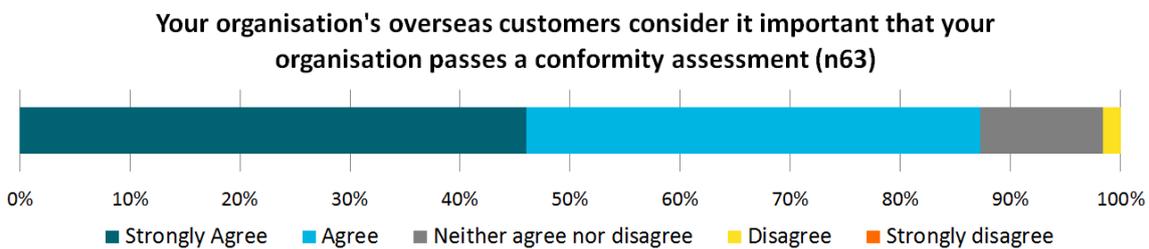
Overview

These results show that there is room for improvement in regards to the coordination between regulators and CABs in the agriculture, fishing, forestry, building and construction sectors. CABs find that their roles, responsibilities and the standards they assess against are clear and fit for purpose.

Conformity assessment and accreditation for international trade

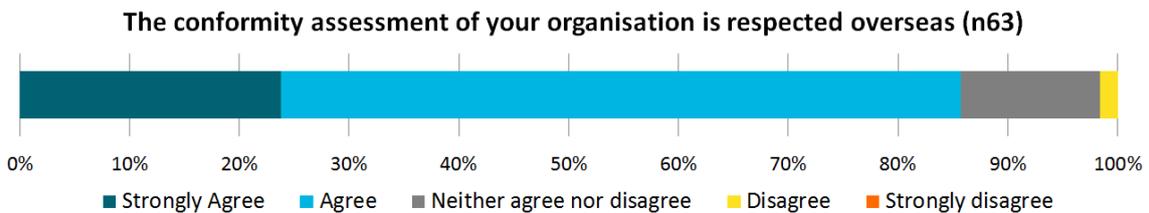
Conformity assessments can help exporters to get their goods and services into overseas markets, or to improve their marketability for consumers in overseas markets. The survey asked users of conformity assessments who export goods or services how effective conformity assessments are at supporting exporters' needs. Overall, the responses were very positive, with very few negative responses.

One indication of the importance of conformity assessments to exporters is captured in the graph below, which shows whether exporters think that their customers consider conformity assessments important.



There was a very strong indication that exporters think conformity assessments are important to their overseas customers. The ability of CABs to help exporters demonstrate conformance overseas is shown below. There is very little variation by sector or business size.

An indication of the ability of CABs to support exports is whether their assessments are respected overseas. The graph below shows that exporters believe that the conformity assessments they undertake are respected overseas.

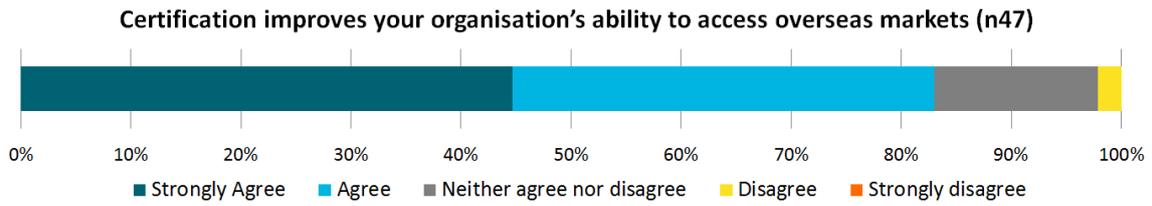


The response was also very positive. The building and construction sector had the least number of positive responses but they also had no negative responses. Participants were asked in an open question how effective New Zealand's CAB's are at supporting trade. While the majority of these responses were positive, a couple of respondents gave suggestions for improvements:

We have had customers in a couple of countries question the quality of our reports because they do not recognise our assessment body.

A stronger understanding of the different standards requirements in foreign markets is required.

Certification is often used by exporters as a clear assurance that they have meet a standard, and where certification is recognised overseas, it should help the exporter get their goods or services into a market.



The survey results indicate that certification improves market access, but there is still some room for improvement as about 17 per cent of respondents did not agree that certification helped. There is very little variation across sectors or for different exporter sizes.

Overview

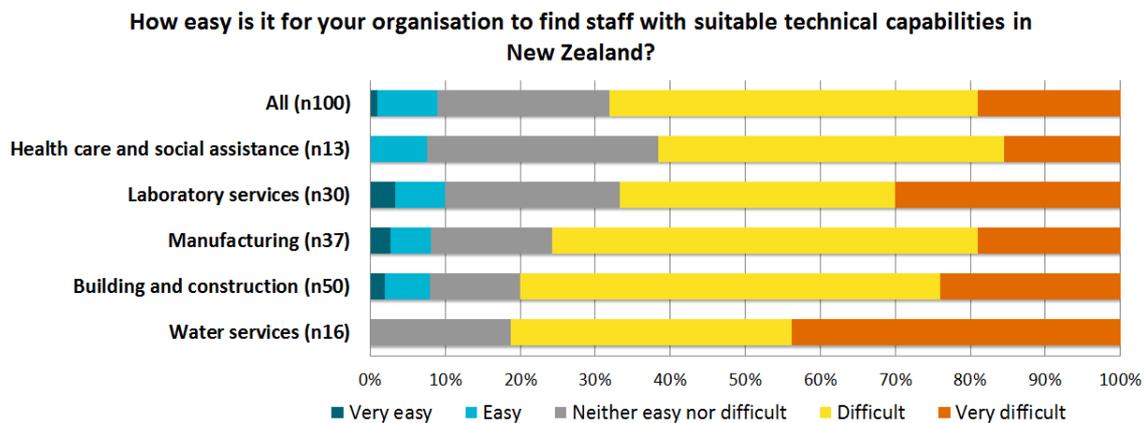
Overall, these results indicate that the conformance infrastructure is effectively supporting exporters to get their goods into overseas markets. This indicates that the conformance infrastructure is fulfilling a core objective and is respected overseas.

Sustainability, challenges and opportunities for the conformance infrastructure

Skills constraints

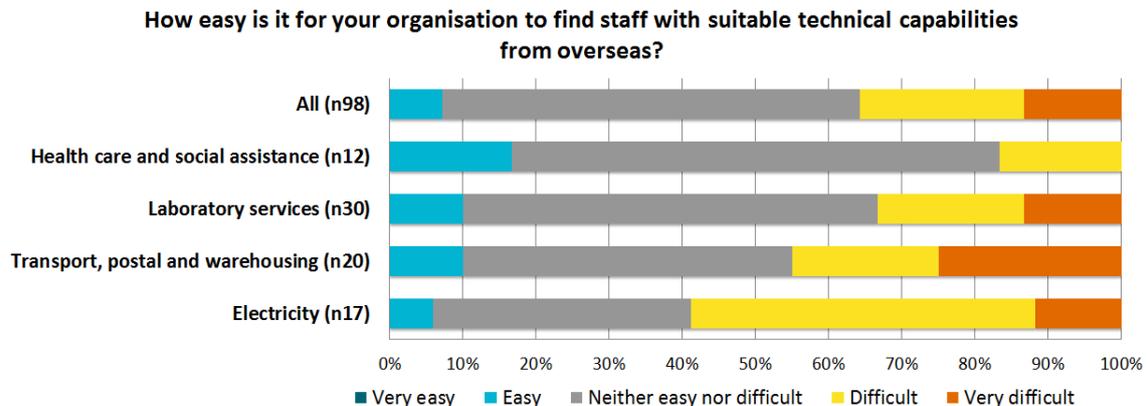
Our preliminary findings indicated that there might be a shortage of skilled staff available to become conformity assessors. The survey results confirm that there are issues with the availability of staff with suitable technical capabilities in New Zealand. At the same time, CABs are finding it difficult to get staff from overseas, or they are not looking overseas. This problem is compounded by the fact that 40 per cent of respondents indicated that a fifth or more of their staff might retire in the next 5 years.

The following graph shows how difficult it is for CABs to find staff with suitable technical capabilities in new Zealand.



The results indicate that CABs in all sectors are having difficulties finding staff with suitable technical capabilities in New Zealand. CABs that assess building and construction, and water services are finding it more difficult than CABs that assess health care and social services, and laboratory services.

Participants were also asked how easy it is for their organisation to find staff with suitable technical capabilities from overseas, as this might have been one way that CABs are dealing with the small pool of suitably capable staff in New Zealand.

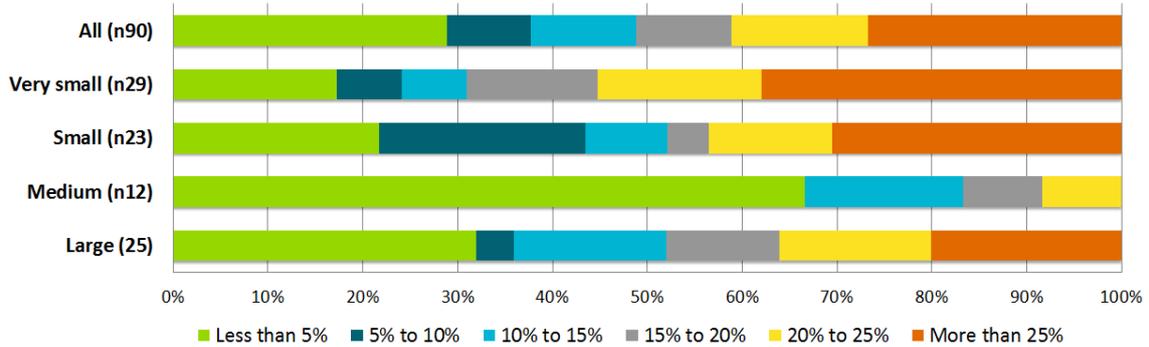


Many participants selected neither easy nor difficult. It is unclear whether this indicates that they are finding it easier, are unsure, or simply not specifically looking for staff overseas. There

was quite a variation in sectoral responses, with CABs servicing the electricity sector having the most difficulty finding staff from overseas.

In order to determine the potential scale of the problem, participants were also asked to identify the percentage of their staff which could consider retiring within the next 5 years. Stakeholders had indicated earlier that the conformity assessor population was aging.

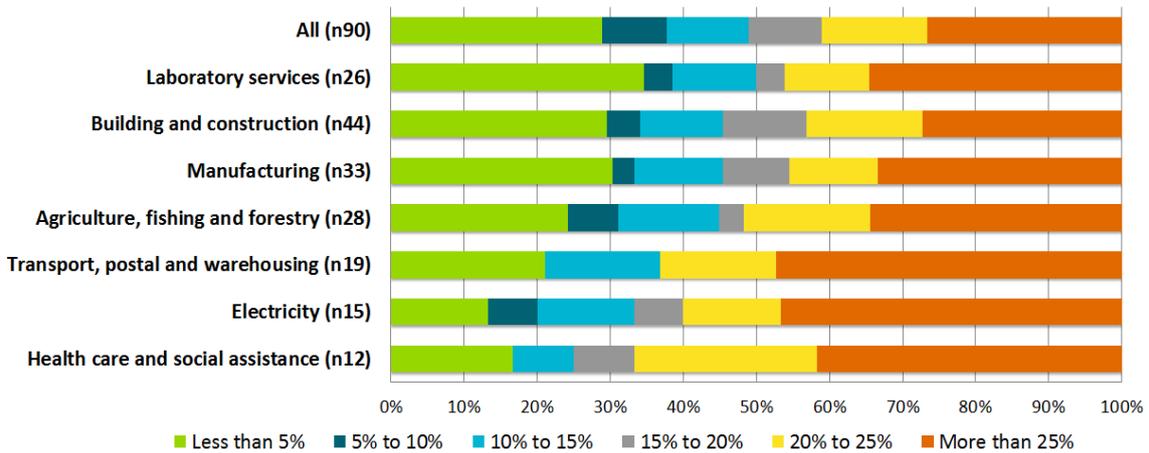
Approximately, what percentage of your conformity assessment staff could consider retiring within the next 5 years?



More than 40 per cent of respondents said that a fifth or more of their staff could consider retiring within the next 5 years. This is concerning given the difficulty CABs are having finding staff with suitable capabilities. A greater proportion of very small organisations with 5 or less staff said that more than 25 per cent of their staff could consider retiring within the next 5 years.

There is also variation across sectors, but respondents from all sectors indicated that a high proportion of their staff could retire within 5 years.

Approximately, what percentage of your conformity assessment staff could consider retiring within the next 5 years?



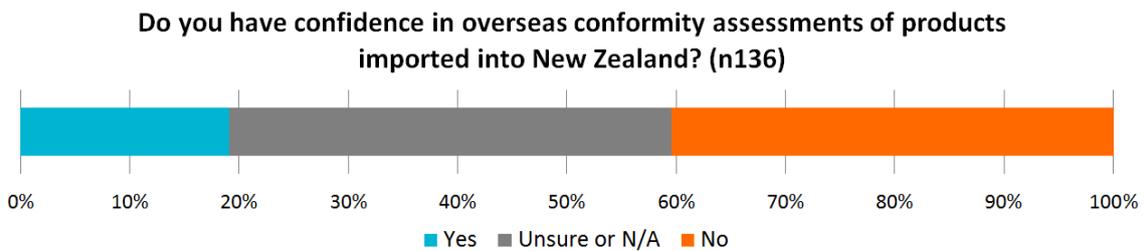
This graph shows that CABs servicing the electricity and transport, postal and warehousing sectors have a higher percentage of staff which could consider retiring within 5 years. This is concerning given that these sectors are also having difficulties finding suitable staff.

Overview

The results indicate that the CABs are facing skills constraints across all sectors. Small CABs find it particularly difficult to find staff with suitable technical capabilities. This could become a serious issue in the future given that a high proportion of conformity assessment staff could retire.

Confidence in overseas conformity assessments of imported products

Stakeholders raised concerns throughout the review that some imported products which are assessed by CABs overseas are not conforming to standards. The survey asked CABs and conformity assessment service users whether they had confidence in overseas conformity assessment of products imported into New Zealand. Many respondents were unsure, which might be because they have no direct experience with the product. The majority of those with a perspective on this issue did not have confidence in these imported products. The following graph shows the levels of confidence.



Respondents from manufacturing, building and construction sectors had less confidence in these products. Some CABs said that their level of confidence depended on the country where the conformity assessment was performed. These results are consistent with what we have heard earlier in the review about imported products. However, we did not know that there were concerns across the board. Note that many CABs would not have direct experience with imported products and in many cases these CABs are providing feedback about their competitors.

Overview

These relatively low levels of confidence are a concern. Particularly as they relate to inputs into important parts of our economy. Further work is necessary to understand the reasons for the concerns and actions to improve trust and confidence. The concerns highlight the continued importance of New Zealand’s international outreach work, in particular work to promote and implement good practice internationally.

Make a submission

See MBIE's *Conformance Policy and Infrastructure Review: Issues and Opportunities Paper* to see how these results fit into our findings. The Paper includes consultation questions for the next phase of MBIE's Conformance Policy and Infrastructure Review.

Access the *Conformance Policy and Infrastructure Review: Issues and Opportunities Paper* at: www.mbie.govt.nz

If you have any questions, you can contact us at: conformancereview@mbie.govt.nz.

Submissions remain subject to request under the Official Information Act 1982. Please clearly indicate in the cover letter or e-mail accompanying your submission if you have any objection to the release of any information in the submission, and which parts you consider should be withheld, together with the reasons for withholding the information. MBIE will take such information into account and will consult with submitters when responding to requests under the Official Information Act 1982.