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Mutual Recognition Schemes
Productivity Commission
Locked Bag 2
Collins St East
Melbourne VIC 8003

Productivity Commission Review of Mutual Recognition Schemes

1. Changes to New Zealand's National Standards Body

In 2009 Standards Australia and Standards New Zealand made joint submissions to the Productivity Commission's review of Mutual Recognition Schemes. In these submissions the organisations noted the key role that AS/NZS Standards play in helping both countries move towards a Single Economic Market (SEM).

Standards Australia believes that the TTMRA is an effective mechanism to drive regulatory cooperation and the SEM Agenda. Joint standards development supports the range of regulatory measures used to enhance trade across the Tasman and promotes harmonisation.

There are currently changes underway to the Standards Act in New Zealand that will change the structure of New Zealand's national standards body. This will affect the current Memorandum of Understanding (MOU) between Standards Australia and Standards New Zealand and consequently the development of joint Australian New Zealand Standards.

It is not clear at this stage what the full impact of these changes will have on the development of joint Australian New Zealand Standards. However, we ask that Standards Australia be permitted to make an additional submission later in the year once this becomes clearer. At the time the new structures are finalised we will be able to describe how these changes are likely to impact the development of joint standards. .

2. Recognition of international standards – Question 62

Standards Australia supports the focus by the Commonwealth government on the greater use and adoption of International Standards.

Standards Australia is committed to meeting Australia's need for contemporary, internationally aligned Standards and related services. Standards Australia has a policy of adopting International Standards wherever possible. This policy is in line with Australia's obligations under the World Trade Organization's Technical Barriers to Trade (WTO TBT) Agreement, which requires Standards Australia to ensure that Standards do not result in technical barriers to international trade. As a result approximately 38% of current Australian Standards are fully or substantially aligned with International Standards. Standards Australia has simplified its process for adopting international Standards as Australian Standards to further encourage stakeholders to adopt international standards without modification.

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The clear message from the Prime Minister, that Australia is 'open for business' is a further driver for Australia's continued engagement in international standards development work

As the Australian member of the International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC), Standards Australia is well placed to continue to work to:

- Eliminate barriers to global trade;
- Integrate new technologies and systems;
- Reach beyond borders;
- Develop safe, high quality products;
- Facilitate open access to technology;
- Enable cooperation;
- Promote the 'buy anywhere' philosophy; and
- Ensure interoperability.

This provides access for Australian stakeholders to a range of technical solutions developed through a global trade focused international standards regime.

3. Standards Australia helping to reduce red tape

As noted in 1 above standards development supports the range of regulatory measures used to enhance trade across the Tasman and promotes harmonisation.

If Standards are developed with government to solve a problem, outcomes achieved will include:

- Lower government administration costs, particularly when industry manages and maintains industry compliance or certification schemes;
- Consensus mechanisms aligned with best practice regulatory guidelines;
- Consensus mechanisms that limit political risk; and
- Acceptance by industry from the beginning.

These benefits more than offset the investment from government in working with Standards Australia in building models and mechanisms for engagement and development.

Whilst investment is important, any investment must also be targeted, coordinated and part of a larger strategic view. From Standards Australia's unique perspective, we often see different agencies in government working at cross purposes to achieve different objectives in the same or in a similar area.

It is through this that Australian Standards can be considered by industry participants as introducing 'red-tape.' Dealing with these issues can be complex, but by establishing a process, government will be able to work together to streamline and reduce regulatory burden with Standards Australia as a key partner.

We look forward to providing more information to the Commission.

Yours sincerely

Bronwyn Evans
Chief Executive Officer