



23 September 2019

Joint Standing Committee on Trade and Investment Growth
PO Box 6021
Parliament House
CANBERRA
Canberra ACT 2600
Via email to: jsctig@aph.gov.au

RE: Inquiry into supporting Australia's exports and attracting investment

Standards Australia welcomes the opportunity to provide this submission to the Joint Standing Committee on Trade and Investment Growth. We seek only to respond to matters that are relevant to our work.

Who we are

Standards Australia is an independent, non-government, not for profit organisation. We are the nation's peak non-government standards development organisation. The work of Standards Australia and our contributors from industry, government and the consumer sector enhances the nation's economic efficiency, international competitiveness and contributes to a safe and sustainable environment for all Australians.

In particular:

- Standards Australia develops voluntary standards and other publications to support and create value for Australian businesses.
- We work with industries all across the country, connecting the right people with technology and the solutions to innovate and improve their work.
- Standards Australia represents the country on the International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC).
- Our processes are well-established for developing standards that meet our international obligations under the WTO and the COAG Best Practice Regulation: A guide for Ministerial Councils and National Standard Setting Bodies principles.
- Standards are central to Australian business. They make business transactions simpler and more efficient, assisting with risk mitigation and compliance.
- Standards Australia does not enforce, regulate or certify compliance with the standards we produce.

How Standards Australia supports business growth

Standards Australia's priority is to work with industry, government and the community to develop the right standards to provide the right solution within this complex area, and help facilitate appropriate adoption and uptake.

Everything that we do is stakeholder led, with an aim to provide a net benefit to the Australian community.

In terms of growth, standards create economies of scale. They provide an agreed pathway which can cut production costs, increase efficiency, and drive productivity.

They assist with harmonisation across Australia's laws and regulations. They can also be used as an alternative to regulation, reducing business costs and decreasing red tape, but still providing security for businesses and consumers.

Internationally our engagement and participation is focused and aligned to industry, trade and other national policy needs. Countries are operating in a global market. The use of international standards mean regardless of where a product is made, it can be sold and used around the globe. Therefore, opening new doors to international trade, helping Australian businesses compete globally and, potentially access other markets.

Standards Australia's target is to make sure Australia has a voice and influence to support our home-grown industries through the adoption of best practice principles in quality and performance.

Key standards initiatives to support sectors

There are many other areas of discrete work streams where we are actively contributing to growth and trade:

- **Hydrogen**

Standards Australia is playing an important component of the Hydrogen regulatory framework, established a national Hydrogen committee to facilitate the development of hydrogen standards nationally and internationally.

A mapping exercise is currently underway to understand the various market focus areas and the gaps.

- **Industry 4.0**

Standards Australia hosted a work stream discussion with a wide-range of stakeholders to guiding Australia's transition to Industry 4.0 and outline how standards can help Australia embrace the next major industrial revolution.

- **Artificial Intelligence**

Standards Australia has commenced an artificial intelligence standardisation roadmap project with the Australian Department of Industry, Innovation and Science (DIIS). The aim is to strategically identifying standardisation opportunities for Australia over the short, medium and long term. A [Discussion Paper](#) was released in June 2019 and a final report is due to be released in the near future.

- **Blockchain**

Standards Australia initiated the development of Blockchain standards, and successfully led the push for the creation of an international technical committee for blockchain standards, through ISO. Standards Australia currently serves as the secretariat for this ongoing work, which involves a total of 35 ISO technical bodies. This Committee is on-track to publish a Technical Report on smart contracts, an area attracting significant interest in the context of trade.

- **Digital Hospitals**

Standards Australia identified opportunities for growth associated with demographic transition and the pivot towards service-based economies, through the release of a Digital Hospitals Handbook (SA HB: 163: 2017) and an APEC Sub-committee on Standards and Conformance report on the 'silver economy'.

Development and adoption of standards in Australia enables trade and growth

The work of Standards Australia is a key enabler to trade, supporting Australia's domestic production and as importantly, supporting commodity, product and service export.

The standards process promotes knowledge-sharing which drives innovation. A study on the impacts of country-specific and harmonised standards on trade found that national standards in the manufacturing sector, even if they are not harmonised with international standards, can promote trade. This is because they provide valuable information that would be costly and time consuming to have knowledge of without a national standard¹⁾.

There is also strong evidence that harmonisation with international standards promotes international trade flows and that harmonisation among developed countries gives developing countries access to more markets.

We are pleased Australian stakeholders, including industry participants, are increasingly expressing their desire to participate in the work of international technical committees, through our processes. This results in more rapid trade flows, reduced costs and a greater integration of production networks.

¹⁾ "Information Versus Product Adaptation: The Role of Standards in Trade" by Johannes Moenius (February 2004)

Recommendation:

We recommend that any strategic Australian Government response to support Australia's exports and investment attraction should consider an integrated standards development roadmap, including International Standards participation, through both industry and government agency engagement.

Further Contact

For further information in relation to this submission, please do not hesitate to contact me directly via email: [REDACTED] or by phone: [REDACTED]

Yours sincerely,

[REDACTED]
Daniel Chidgey
Head of Stakeholder Engagement
Standards Australia Limited



APPENDIX A

About Standards Australia

Standards Australia is the Australia's peak, non-for-profit standards development organisation. We are an independent, not-for-profit, member-based, standards development organisation. Our members include the Commonwealth, State and Territory governments, peak industry associations and community groups.

Standards Australia is recognised by the Commonwealth as Australia's peak non-government standards development body through a Memorandum of Understanding (MOU).

We are Australia's member of the International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC). We hold positions on the technical management boards of both ISO and IEC. We are also a Companion Standardisation Body (CSB) with the European Standardisation Organisations (CEN and CENELEC), where we have an opportunity to partner on relevant technical committees where harmonisation with the European market is beneficial.

Our core responsibility is the development of voluntary, consensus based Australian Standards, as well as other voluntary lower consensus guidance documents. Through our membership at the ISO and IEC, we are also involved in the development and adoption of international standards.

Standards Australia publications act as a tool for public policy delivery, where appropriate, and can be referenced in regulation, legislation or contract. Standards Australia has no regulatory or legislative authority, and does not undertake any conformity assessment or certification activities.

Australian and international standards serve to enhance the nation's economic efficiency, improve our international competitiveness and meet the community's demand for a safe and sustainable environment.