*RE: Productivity Commission National Competition Policy Study, 9 May Call for submissions*

**To what extent is Australian electrical regulation not aligned with international standards & what is the impact?**

1. **How regulated standards are harmonised across jurisdictions in Australia.**

Currently the inconsistent way that electrical safety standards are regulated at time of sale in Australia are not harmonised across jurisdictions, and within jurisdictions. In some states there is a time of sale requirement that is different to what the current Australian standard says. For example, in Queensland some non-household electrical equipment only needs to be compliant at time of manufacture / importing and permits lengthy sell-through regardless of subsequent changes to the safety standard. In other circumstances electrical equipment needs to be compliant at time of registration onto a database and then permits sell-through. This provides inconsistency from one trader to another (in allowing one to sell a product that another cannot). It is also inconsistent within the same Act (from one type of equipment to another).

This differs in Victoria which has time of sale requirements for non-household electrical articles strictly in accordance with the standards as published, with no apparent sell-through. For household types sometimes requirements are at time of registration and in other cases at time of importation.

In NSW the Act applies Australian Standards consistently across all types of electrical articles. Any electrical article must meet the requirements of the relevant specification at time of sale (certified or not, registered or not, household or not). In short, in NSW the Act is applied consistent to the Australian Standards, consistent across article types and consistent with community expectations.

The NSW model is also faster to adapt to changing needs to adopt relevant standards, both Australian and international. Other models rely on committee process that is slow and not dynamic enough to respond to the changing market. The NSW regulator can easily gazette a solution that is quicker and more responsive to safety needs.

Outcome: If consistency is desired, it is recommended that the Productivity Commission can look to the NSW South Wales legislation as being the ideal model legislation.

1. **Adoption of international and overseas standards in regulatory frameworks**

Retaining a strong Standards Australia committee process can be supported without “automatically adopting overseas standards”. There is a critical need for expert input and public consultation. Australian Standards should not be introduced into regulation without governance or review.

Although Australian variations can be required, sometimes they introduce major regulatory roadblocks and additional costs for minimal benefit to safety. Most recent electrical safety concerns in the marketplace are to do with the lack of quality assurance and insufficient enforcement, not lack of variations.  Traders that make no attempt to certify or have their products compliant to the standard are more likely to be a problem than non-compliance with the minor variations placed onto the international standard via Australian committees.

This leads to the point of primary pain felt by both traders and regulators:  the introduction of variations to the standard/s that result in negligible increases in safety but place disproportionate burden on traders. This also makes it difficult for regulators to regulate the market because there are fewer local test labs that are accredited, particularly to the Australian variations.

Directly adopting an international standard can be supported when it is adopted via the Standards Australia committee process. If there is an Australian Standard it will take precedence above any international standard, by design and intent but if there is no Australian standard, NSW law can directly use an international standard.

Outcome: Standards committees must have stronger justification for the addition of any Australian variations and be accountable for same. Standards Australia currently has a process for limiting variations in place, but committees must be made accountable with the Standard Australia rules being enforced.

**Glenn Toole**

**Manager, Electrical and Gas Approvals**

The above is my own personal and professional view.