STANDARDS AUSTRALIA MADE A CONFIDENTIAL SUBMISSION TO THE EVALUATION OF MUTUAL RECOGNITION. SUBSEQUENTLY THE ORGANISATION HAS AGREED TO MAKE THE FOLLOWING PARAGRAPHS PUBLIC:

PRODUCTIVITY COMMISSION 2003 REVIEW OF THE (STATE/TERRITORY) MUTUAL RECOGNITION AGREEMENT (MRA) AND THE TRANS TASMAN MUTUAL RECOGNITION AGREEMENTS (TTMRA)

COMMENT BY STANDARDS AUSTRALIA INTERNATIONAL LIMITED (STANDARDS AUSTRALIA, SAI)

Introduction – Standards Australia

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Currently SAI has published 6700 Australian Standards of which about 2000 are joint Australian and New Zealand Standards developed under an Active Co-operation Agreement with Standards New Zealand. This Agreement provides for the development of joint Standards when both organizations and their Stakeholders wish to have joint standards. In addition to Australian Standards and Australian/New Zealand Standards, SAI has developed more than 300 other standards related publications.

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Issues Related to the (States/Territories) MRA'S

Since its formation in 1922, SAI has been producing Australian Standards primarily for voluntary application. However about 2500 of the 6700 Australian Standards are referenced in State and Territory legislation and regulations, either directly or as "deemed to satisfy" solutions to outcomes based regulations. Many of these referenced standards are applicable in all State and Territories and thus, in effect, have provided a mechanism for national uniformity, in line with the core principle of the (States/Territories) MRA.

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Thus when the (States/Territories) MRA was agreed to in 1993, SAI acknowledged that while it could have an initial effect of allowing the "lowest common denominator" of State/Territory legislation/regulations to apply, it could result in the longer term in an increased demand for national standards to provide for national uniformity. …

At that time there was also a contrary view expressed that the existence of the (States/Territories) MRA could result in a reduction in the demand for the preparation of new

and maintenance of existing Australian Standards. This view was based on the assumption that the MRA would negate the need for national standards, as regulatory acceptance would be, in future, decided by the State or Territory with the legislation regulations that were the easiest to comply with.

SAI has not perceived any noticeable trend towards increasing or decreasing demand for the development of new, or the maintenance of old, Australian Standards for products and services as a result of the introduction of the MRA. …

Issues Related to the (Australian/New Zealand) TTMRA

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The outcomes have not been as successful as originally anticipated despite the fact that there are currently more than 2000 joint Australian/New Zealand standards. In most cases these joint standards represent issues where,

- both countries agree to adopt or harmonise with an international standards, or
- an Australian Standard already exists and is used in New Zealand without a significant need to prepare a separate New Zealand Standard.

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While there have been cases where trans Tasman differences have been eliminated by joint standards, there are also a great many instances where there are separate Australian and New Zealand Standards for the same subject. This is especially true in areas where there are few true international standards such as building and construction. One cause of this is the different regulatory regimes in both countries that have contributed to different standards being applied differently in regulations. Examples of this include area such as fire protection, occupational health and safety, heavy machinery, health care, construction practice, etc.

SAI and SNZ in an International Context

While the Active Co-operation Agreement between SAI and SNZ urges both bodies to co-ordinate their international participation in ISO and IEC, this does not always happen in reality. At the administrative and technical management level in both ISO and IEC, both organizations clearly "do their own thing" based on their separate membership of ISO and IEC. At the technical committee level there has been a number of cases where SNZ has taken independent views to ISO and IEC to those expressed by the joint committee and by SAI.

How Standard Impact on the MRA and TTMRA

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However in regard to working jointly with SNZ, with the view of preparing joint Australian/New Zealand Standards, SAI has recently taken the view that such joint standards should only be prepared when there is a real market place need, i.e. where there are real differences in published standards between the two counties.

Direct SAI Reponses to the Review Terms of Reference

Many of the general issues on which SAI can comment on the Terms of Reference are given in the statement outlined above. With regard to the specific issues, SAI offers the following comment

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- Clause 2a), 2nd "dot" point
  There would appear to be some evidence that the development of joint standards with New Zealand (or more likely, the use of Australian Standards in New Zealand) that are aligned with international standards have assisted the international competitiveness of Australian and New Zealand business and the Trans Tasman business sector. There is a view that this was occurring before the MRA and TTMRA existed and that they may have had little impact on the internationalisation of Australian and New Zealand Standards. It could be argued that the WTO Technical Barriers to Trade Code has been a more significant factor.

- Clause 2a), 3rd "dot" point
  If the (States/Territories) MRA and the TTMRA can be seen as a factor in the increased activity in preparing national and joint standards, there could be an argument that the MRA and TTMRA have made a minor contribution to enhancing the capacity of Australia and New Zealand to influence international standards. While the joint work between SAI and SNZ may have precipitated a greater awareness of international standardization in New Zealand, there has been little effect in Australia, as it already had a substantial involvement before joining standards were envisaged.