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National Competition Analysis 2025

Productivity Commission

Locked Bag 2, Collins St East

Melbourne VIC 8003

Submission from Lighting Council Australia to the Productivity Commission Review on National Competition Policy

Dear Commissioners

Lighting Council Australia welcomes the opportunity to contribute to the Productivity Commission's review of competition reforms, particularly regarding the alignment of Australian standards with international frameworks. Our submission emphasizes the critical role of harmonization in reducing regulatory duplication, lowering compliance costs, and enhancing market access for Australian businesses.

Removing barriers to international adoption

Australia's lighting industry operates within global supply chains, making alignment with international standards (e.g., IEC, ISO) essential. Divergent standards create unnecessary barriers, forcing manufacturers to maintain separate production lines for the Australian market and the rest of the world.

Lighting Council Australia urges the removal of jurisdictional hurdles that impede the automatic recognition of trusted international standards, as seen in the EU's harmonized standards system, which provides presumption of conformity with legislation while allowing flexibility for local adaptations.

Access and participation in international standards development

Lighting Council Australia's direct experience over the last seven years is that active and significant participation in ISO/IEC committees is vital to ensuring Australian interests are reflected in global standards. However, Standards Australia's current funding model—which limits subsidies to one delegate per meeting—hinders representation at concurrent international meetings. This has stifled Australia's ability to lead working groups or advocate for international standards amendments that would increase alignment by promoting Australian innovation on the world stage.

Lighting Council Australia recommends adopting the EU's approach, where the national bodies like DIN (Germany) and AFNOR (France) are able to prioritize funding for multi-delegate attendance at concurrent meetings ensuring expert input during critical drafting phases.

Primary function of Australian standards committees should be internationally focused work

Lighting Council Australia asserts that the core function of Standards Australia technical committees should be the proactive evaluation of international standards drafts and active participation in ISO/IEC committees to shape global benchmarks, particularly in sectors with minimal domestic manufacturing. By prioritizing input into international development processes, Australian committees can ensure standards reflect local needs without unnecessary deviations, reducing redundant national variations.

Far too often conflicted Australian interests fail to engage in international standards work, criticise from the sidelines and then only get involved at an Australian standards level to promote the creation of Australian national variations.

In industries reliant on imported products, alignment with global norms enhances market access while maintaining safety and performance. Lighting Council Australia emphasizes that committees must focus less on modifying international standards and more on influencing their creation, leveraging Australia's expertise in niche areas.

Such strategic engagement aligns with WTO TBT obligations and streamlines regulatory coherence, benefiting trade and innovation.

Despite the current Standards Australia guidance provided to standards committees, the justification provided by committees for national Australian variations is often weak and unconvincing. Lighting Council Australia strongly recommends that Standards Australia's guideline be enhanced, committees trained in its use and require a cost benefit type approach to be followed before any national variations are allowed to be introduced during the adoption of international standards.

Committees should be required to demonstrate, with clear evidence, that any proposed variation is essential to address specific and significant Australian safety, environmental, or regulatory needs, as outlined in the WTO TBT Agreement and Standards Australia's own adoption policy. Thresholds for variation should be high, with all technical differences transparently justified and documented. This approach will minimise unnecessary local deviations, reduce compliance costs, and support Australia's commitments to international harmonisation and trade facilitation.

Standards Australia's committee processes require urgent reforms to address lax enforcement of conflict-of-interest protocols.

Despite existing guidelines mandating declarations of interests and impartiality, Lighting Council Australia's experience is that undeclared conflicted national interests often advocate for Australian-specific standard variations without being called out.

To restore integrity, Standards Australia must implement mandatory training for project managers and committee chairs on identifying, documenting, and mitigating conflicts during deliberations. Enhanced oversight mechanisms, aligned with the Australian Public Service Commission's conflict management frameworks, would ensure compliance with transparency obligations and reduce bias toward redundant local amendments.

Recommendation on leveraging the IECEE CB Scheme for lighting equipment

Lighting Council Australia recommends expanding the use of the IECEE CB Scheme to reduce redundant Australian certification requirements, which currently impose duplicative compliance costs on suppliers and manufacturers. The CB Scheme's global mutual recognition framework allows products tested once under IEC standards to access multiple markets, including Australia, without additional assessments.

Despite Australia's participation in the scheme, rigid local conformity rules—such as restrictions on testing stages at customer facilities (CTF Stages 3–4)—limit its utility.

Aligning with international peers like the EU and UK, which prioritize CB acceptance, could save the Australian lighting industry millions annually in compliance costs. Streamlining Australian state electrical safety regulations to fully recognise CB-certified products would enhance market efficiency.

5. Streamlining regulatory references to standards

Australia's electrical safety regulatory frameworks often lag updates to referenced standards, creating compliance difficulties.

The EU's "in-force from time to time" approach, which dynamically incorporates updated standards into legislation, offers a model for Australia. This would increase market certainty for suppliers and reduce the administrative burden on businesses and regulators.

International best practice models

Global best practice national models for utilising international standards within regulatory frameworks include the European Union's harmonized standards system, which references ISO and IEC standards in legislation to provide a presumption of conformity while allowing justified local adaptations.

Australian lighting product electrical safety standards already rely heavily on modified adoptions of international standards. However, further reduction of Australian national variations should be a priority to further reduce unnecessary compliance costs.

Conclusion

LCA urges the Commission to recommend reforms that prioritise international harmonization, enhance standards committee transparency, and address funding gaps for international participation. By adopting global best practices, Australia can reduce compliance costs, foster innovation, and strengthen its position in international markets.

Regards

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