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National Competition Analysis 2025
Productivity Commission
Locked Bag 2, Collins St East
Melbourne VIC 8003

**PRODUCTIVITY COMMISSION CALL FOR SUBMISSIONS TO THE NATIONAL COMPETITION
POLICY (NCP) ANALYSIS 2025 – INFORMATION REQUEST 2: INTERNATIONAL STANDARDS**

SUBMISSION FROM STANDARDS AUSTRALIA

Thank you for the opportunity to provide a Submission to *the National Competition Policy Analysis 2025* consultation paper.

Standards Australia is recognised as Australia's peak national standards body under a Memorandum of Understanding (MoU) we hold with the Commonwealth of Australia. As Australia's national standards body, we collaborate with government, industry and consumers to develop and adopt fit-for-purpose technical standards that aim to ensure products and services are safe, efficient, and benefit the Australian community. In addition, as Australia's representative to the International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC), we are also specialists in the development and adoption of internationally-aligned standards in Australia.

Our work is underpinned by decades of reform, consistent with best-practice regulatory principles, including recommendations from successive Productivity Commission reviews.

As per the MoU with the Commonwealth, Standards Australia develops standards of net benefit to the Australian community through a process of consensus. To achieve this, we:

- establish an acceptable balance of all relevant interests in the technical committees that both develop Australian Standards, and adopt International Standards; and,
- make the standards development process accessible to the Australian public through providing opportunities for public comment and consultation.

In addition, we are required to act in a way that is consistent with Australia's international obligations under the World Trade Organization (WTO) Agreement on Technical Barriers to Trade (TBT Agreement). We are obligated to develop Australian Standards based on International Standards, unless there is a justifiable reason not to do so because of fundamental climatic or geographical factors or technological problems.

Our response to this call for submissions is driven by our objective of ensuring that standardisation in Australia remains robust, promotes economic efficiency and supports both community and consumer safety. It focuses on responding to *Information request 2* in the call for submissions that is related to considering greater harmonisation with international or overseas standards and harmonisation of regulated standards across Australia.

We acknowledge the intent behind this review is to improve regulatory efficiency and reduce burden, and we strongly support efforts to enhance national consistency and competitiveness. By leveraging the strengths of Australia's current standard setting system and recognising the strategic role that standards can play in realising this reform, lasting benefits from regulatory reform can also be delivered. Bypassing established processes and safeguards would expose Australia to unacceptable safety, sovereignty, and economic risks.

We believe that reform must proceed with a clear understanding of:

- The costs and inefficiencies of inconsistent regulation across jurisdictions;
- The importance of maintaining regulatory sovereignty;
- The strategic function of standards in a contested global environment.

The Commission's analysis should reflect not only economic dimensions, but broader public interest considerations such as:

- Trust in regulatory systems;
- Long-term institutional resilience;
- Australia's ability to influence global rulemaking.

We are strongly opposed to regulatory setting reforms in Australia that will weaken good regulatory practice and public safety. Namely any proposal to lower barriers to the adoption of overseas standards through automatic adoption or by placing "trust" in overseas Standards Development Bodies (SDOs) or their processes, without proper consultation on the appropriateness of any individual standard in the Australian context. Such a proposal risks significantly reducing accountability and transparency in regulatory setting in Australia at the expense of Australian industry and the broader community.

Better alternative options are available to improve regulatory efficiency without weakening consumer protections, risking heightened remediation costs and jeopardising national sovereignty. Increased efficiency could be achieved through addressing domestic harmonisation of regulated standards as the most immediate and achievable lever for improving national efficiency. It could also be supported through sponsored access to regulated standards, such as through including standards access in occupational licencing schemes, or through putting in place protocols that establish greater alignment between voluntary and mandatory standards development and review processes in Australia.

To strengthen Australia's regulatory efficiency and responsiveness, Standards Australia also acknowledges the importance of continuing to enhance our own internal systems and adoption capabilities. We acknowledge there is a growing need to expand our capacity to assess and adopt overseas standards on a case-by-case basis. While we currently have pathways in place for ISO, IEC, European and selected national or industry-specific SDOs standards, the framework for broader adoption could be further developed. Standards Australia is working towards improving this capability to provide greater agility and strategic alignment with high-quality standards developed outside the multilateral system.

Additionally, whilst we have made great strides and improvements in our streamlined adoption processes - allowing for faster and more efficient alignment with international standards - the consistent application and utilisation of these processes could also benefit from continuous improvement. This is particularly true in historical instances where stakeholder interests, rather than objective net benefit considerations, have delayed or prevented international harmonisation. We now have mechanisms in place to address these governance challenges, but acknowledge that continuing to enhance early scrutiny of proposals and enabling faster resolution of such impasses is essential to ensure timely and trusted adoption outcomes.

Enhancing the framework for overseas standard adoption, refining streamlined adoption processes, and acting with greater resolve against barriers to adoptions will improve our own efficiency and credibility. It will also ensure that Australia remains competitive and aligned with international best practice, while maintaining necessary sovereignty and context-specific safeguards.

Our recommendations for the Productivity Commission's consideration are as follows:

1. The Productivity Commission should recognise that the adoption of overseas standards based on "trust" or as an automatic adoption without rigorous review and, where necessary, local modification poses a significant risk for both Australian industry and the broader public. Any proposed changes to Australia's regulatory setting framework should not be at the expense of public consultation in the development of standards or regulation.
2. Domestic harmonisation of regulated standards should be prioritised by the Productivity Commission as the most immediate and achievable lever for improving national efficiency.
3. The Productivity Commission should recognise that efficiency gains could be supported through sponsored access to regulated standards and amendments to the administration of mandatory standards development to provide for greater alignment between voluntary and mandatory standards development and review processes in Australia.
4. The Productivity Commission should incorporate risk analysis that considers geopolitical dynamics, trade exposure, and regulatory sovereignty in undertaking the National Competition Policy review.
5. The Productivity Commission should evaluate broader public interest impacts beyond GDP, including community trust, public safety, the long-term cost of remediation, regulatory transparency, and institutional resilience in undertaking the National Competition Policy review.
6. The Productivity Commission should note the significant progress and improvements made by Standards Australia in streamlining the adoption of international standards and acknowledge the desire of Standards Australia to proactively and continuously enhance its frameworks to support their timely, transparent and fit-for-purpose adoptions.
7. Standards Australia requests clarity from the Productivity Commission on the policy intent and scope of the reforms that are being considered under the NCP to ensure that modelling reflects actual government commitments.

These views are expanded upon in our responses to the questions posed in *Information request 2* at **Attachment A** to this submission. Should you have any queries about this submission, I would be happy to discuss and can be contacted

Yours sincerely

Rod Balding
Chief Executive Officer

ATTACHMENT A: Responses to the questions posed in *Information request 2*

Distinction between International Standards and Overseas Standards

As context for our submission, we consider it important to clarify the distinction between international and overseas standards, particularly in relation to the Commission's advice and modelling. International standards are developed by global, multilateral, consensus-based bodies such as ISO, IEC, and the International Telecommunication Union (ITU), where Australia participates as a member and each country has an equal vote. These standards are designed for global applicability and are recognised under the WTO TBT Agreement as the preferred basis for national adoption where appropriate.

In contrast, overseas standards are developed by individual countries, national bodies or industry consortia, and may reflect jurisdiction-specific regulatory assumptions, commercial priorities, or industrial policy. These standards are likely to be developed without requisite Australian input and may not follow internationally agreed best practices, including open public consultation, balanced representation, or consensus-based decision-making.

This does not mean that overseas standards are inherently unsuitable. Many are technically robust and may provide an appropriate level of safety, environmental protection, or infrastructure performance for the Australian context. However, their adoption into regulation requires a commensurate level of review and scrutiny, arguably more so than international standards, particularly where there is a lack of Australian input in their development or lack of multilateral development and transparency mechanisms that underpin globally agreed standards.

International Standards, particularly those developed by ISO, IEC, and ITU, must continue to be used as the first option in Australian regulatory settings where they are appropriate. This is the process followed by Standards Australia. In addition, the adoption of any standard in Australia must follow the requirements within the WTO TBT Agreement.

These standards bring significant benefits:

- They enable global trade and investment by reducing technical barriers.
- They provide a level-playing field, with one country, one vote governance.
- They support regulatory coherence and innovation across jurisdictions.
- They facilitate interoperability in emerging technologies (e.g., AI, quantum, digital identity).

However, not all overseas or international standards are immediately suitable for Australian use. Some reflect industrial policies, environmental factors, national security or health requirements or regulatory assumptions specific to their jurisdiction of origin. Local adaptation or the development of national standards is often required for legitimate and valid reasons to ensure relevance in the Australian market, including public safety, geographical conditions and public interest alignment.

Example 1: Portable fire extinguishers

Australia's mandatory standards for portable fire extinguishers are a prime example of the need to consider whether overseas or international standards meet local needs and context. The mandatory aerosol standard references and adapts AS/NZS 4353:1995 Portable fire extinguishers – Aerosol type, while the non-aerosol standard modifies AS/NZS 1841:1997 Portable fire extinguishers, parts 1 to 8.

Various overseas and international standards were considered for referencing in the mandatory standard but were deemed unsuitable due to differences in labelling and safety requirements.¹ For instance, the BSI standard lacks the established labelling needed in Australia and does not require exposed non-metallic elements to be UV stabilised, a critical element in the Australian standards that protects fire extinguishers from degradation from UV light. The international and overseas standards from ISO, the European Committee for Standardization (CEN), and the United States National Fire Protection Association (NFPA) do not align with Australian fire classification and ratings systems.

The Australian Competition and Consumer Commission (ACCC) considered referencing and adapting elements of the overseas and international standards in the mandatory standard, however, this was deemed impractical. It was determined that Australian Standards, developed by local experts, are essential for ensuring safety and clarity, while overseas and international standards do not meet local conditions or could cause confusion that could lead to injury or death.

Example 2: The Australian Bridge Code

The Australian Bridge Code (AS 5100 Series) is a comprehensive suite of standards that provide guidelines for the design, assessment and construction of bridges in Australia. The code is incorporated into state and territory regulations related to bridge design and construction and aims to ensure that bridge engineering practices meet safety, performance and quality requirements.

Various international standards and overseas standards were considered in the development of the Australian Bridge Code. Ultimately, the code was developed as an Australian Standard to respond to Australia's higher than average truck loads and local wind and earthquake load requirements.

Example 3: Cast iron pipe fitting and valves

WS-016 and WS-022 are the Australian standards committees that deal with cast iron pipe fittings and valves. The two committees have historically contained a mix of technical experts representing both manufacturers and users. The equivalent ISO committees typically contain representatives from manufacturers only.

Australian stakeholders, including the Water Services Association of Australia, have reported that content developed by the international committee only satisfies the manufacturing representatives interests, which leads to lowest common denominator standards. Their view is that the Australian system of mixed representation has led to superior technical standards.² This in turn, ultimately leads to greater public safety, and greater long term cost savings as opposed to the need for remediation of products manufactured to the lowest common denominator.³

¹ ACCC, *Review of the mandatory safety standards for portable fire extinguishers – Consultation Paper*, September 2019, accessed [here](#).

² Water Services Association of Australia, *Productivity Commission: National Policy Competition Analysis*, June 2025, accessed [here](#).

1. The adoption of overseas standards based on “trust” or as an automatic adoption without rigorous review and where necessary local modification poses a significant risk for the Australian public and impacts Australian business

Any changes to Australia’s framework for adopting overseas standards in regulation should not be at the expense of public safety and Australian industry. We are strongly opposed to recent proposals to streamline the adoption of overseas standards by placing “trust” in overseas SDOs or their processes, such as in the Productivity Commission’s 2024 modelling of proposed National Competition Policy, at the expense of providing Australian stakeholders with the opportunity to review and provide comment on the appropriateness for use in Australia of any individual standard.

Public consultation, openness and transparency are internationally recognised principles that form the core of the standards making process, including developing or amending mandated standards. *The Australian Government Guide to Regulatory Impact Analysis* and the *Regulator Performance Guide* both recognise these principles as being critical when making or amending regulation, with the latter stating that best practice regulators ensure that “*genuine consultation processes are in place to ensure that stakeholders are engaged in essential decisions that involve them, with critical information shared in a timely way*”.⁴

Australian stakeholders and experts should remain involved in the process of creating, reviewing or modifying standards that are to become mandatory standards. Directly adopting voluntary standards from overseas, without a thorough review by Australian technical experts, risks overlooking Australia’s unique environmental, industrial, and regulatory conditions. If Australian experts are not involved in this review, there is a danger that overseas standards, which may not be suitable for the Australian context, could be implemented. This could have significant negative consequences for Australian businesses, as well as for safety, performance, and public trust.

We also note our concerns about proposals for the automatic adoption of revised overseas or international standards in regulations. Our primary worry is that this automatic process, which excludes Australian stakeholder input, may result in the incorporation of standards into Australian regulations that do not or no longer meet the desired regulatory objectives. Furthermore, this approach risks transferring the responsibility for the development of Australian mandatory standards to overseas organisations, without adequate oversight from Australian industry and consumer experts.

Several tragic incidents including fatalities and industrial accidents underscore the critical need for domestic modifications to international standards. Modifications to international standards have been essential to prevent incident recurrence and uphold safety benchmarks. In sectors like mining, construction, and healthcare, national modifications to international standards have been shown to ensure alignment with local industry needs, reduce operational risks, support regulatory expectations and deliver enhanced safety. Case study examples that showcase the need for domestic modifications and the consequences of inaction are included at **Attachment B**.

⁴ The Australian Government Department of Premier and Cabinet, 2021, *Regulator Performance Guide*, accessed [here](#).

2. Domestic harmonisation of regulated standards should be prioritised by the Productivity Commission as the most immediate and achievable lever for improving national efficiency

The ACCC estimate that allowing mandatory standards to recognise a broader range of overseas voluntary and mandatory standards could save businesses at least \$500 million annually in regulatory costs underestimates the complexity and consequences of such adoption. It is our view that this prioritises short-term administrative savings over long-term safety, quality and economic sustainability. There is significant complexity in determining whether a voluntary standard is adequate to meet a policy objective, and international standards often require adaptation to reflect Australia's unique environmental conditions, industrial practices and regulatory conditions.

We hold the view that the estimated \$500 million in savings is overshadowed by not only the longer-term ultimate costs of safety issues and remediation, but also the broader costs of regulatory fragmentation. Regulatory fragmentation costs Australian businesses billions of dollars each year. Various studies have estimated the administrative and compliance costs on businesses to range from \$35 billion (Productivity Commission, 2006) to \$94 billion (Deloitte, 2014), equivalent to 4-6% of GDP.⁵ In Queensland, for example, it is reported that state-based regulations may impose administrative and compliance costs on businesses ranging from \$3.5 to \$7 billion annually, or \$7,600 to \$15,200 per business.⁶ However, the economic cost of regulation is likely to be larger than indicated by these studies, which do not attempt to measure the broader economic efficiency effects of regulation.

The regulatory costs incurred by businesses caused by fragmentation include time and effort required to find and understand regulatory obligations, poorly designed regulations that restrict market entry or business flexibility and inefficient regulatory processes. Domestic harmonisation of regulated standards would address unnecessary costs by simplifying regulatory obligation requirements, by simplifying and facilitating market entry across the national market and through reducing inefficiencies in regulatory processes. The case studies below highlight the potential impact of responding to the challenge of domestic harmonisation as a lever for improving national efficiency.

Case Study 1: Construction Productivity

Australia currently ranks 16th in the Organisation for Economic Co-operation and Development (OECD) for productivity, the nation's lowest in 60 years.⁷ Fragmented and overlapping state-based regulations are significantly undermining productivity in Australia's construction sector, contributing to the broader national trend of weak productivity growth, which over the past 30 years has resulted in an estimated \$47 billion in lost economic opportunity.⁸ The sector must navigate a complex and often inconsistent web of planning, zoning, environmental, and building regulations, increasing costs, delaying projects, and reducing efficiency.

As a result, Australia is building fewer homes per person, and construction takes longer. The number of dwellings completed per hour worked by construction workers has fallen by 53%, while labour productivity in the broader economy has risen by 49%.⁹ Without greater coordination and simplification, particularly across state jurisdictions, the sector's capacity to meet Australia's growing housing needs will remain constrained.

⁵ Page Research Centre, *A complex, costly web: the regulatory burden on Australia's regional businesses*, 1 Jan 2025, accessed [here](#).

⁶ Queensland Productivity Commission, *Improving Regulation: Research Paper*, March 2021, accessed [here](#).

⁷ Infrastructure Magazine, *Boosting productivity in construction*, August 22, 2024, accessed [here](#).

⁸ KPMG Australia, *Global Construction Survey 2023*, accessed [here](#).

⁹ The Productivity Commission, *Housing construction productivity: Can we fix it?*, February 2025, accessed [here](#).

Case Study 2: Regulatory fragmentation of waste management

According to DevelopmentAid, Australia is the world's third largest waste producer per capita at 2.23kg/per capita, generating a total waste of 75.8 mega-tonnes (2020-21).¹⁰ Australia's waste management faces significant challenges and has made inadequate progress towards the National Waste Policy Action Plan targets, while missing out on significant value from waste annually with a circular economy rate of 3.7% - falling behind the global average of 8.6%.¹¹ Parliament of Australia's *No time to waste* inquiry has identified regulatory fragmentation as a significant barrier to Australia's waste management system – a regulatory landscape comprising of 4 national legislations and 24 state and territory legislations/regulations on waste management.¹²

A decentralised legal framework in Australia has complicated processes and requirements for industries and businesses hampering efforts to improve environmental and economic outcomes. Inconsistent legal mandates have raised administration and approval times, as well as duplications and costs, discouraging organisations to opt for improved waste management practices and leading to the implementation of suboptimal solutions.

The Department of Climate Change, Energy, the Environment and Water's (DCCEEW) Circular Economy Ministerial Advisory Group have reported that regulatory fragmentation has hindered innovation, efficiency and market development, making it “difficult for businesses to scale economically productive activities at a national level.”

Fragmentations in packaging regulations and requirements have further impeded innovation and compliance. A lack of legal stability has discouraged confidence and diverted investments, preventing long-term innovations, development and financing. This has been especially harmful for businesses operating across various states which has led to increased costs and time with different approvals, monitoring and compliance systems. Regulatory fragmentation has harmed efforts for the development of a resource recycling and energy recovery infrastructure system that could improve both environmental and economic outcomes nationally.¹³

Regulatory fragmentation has also led to inefficient waste management practices at a local level, misguiding consumer practices and impeding resource recovery efforts, with only 39% of material recovered from 9.9 megatonnes of kerbside waste collected in 2022-23. Visy – one of Australia's largest operators of kerbside recycling – highlighted the “lack of nationwide, harmonised material eligibility” has resulted in different councils having different rules, mispackaging of products' eligibility, and confusing communities' decision-making.¹⁴ Australia's fragmented waste management regulatory landscape has increased confusion, costs and inefficiency, while impeding environmental progress, best practices, regulatory compliance, economic circularisation and economic growth.

¹⁰ DevelopmentAid, *World waste: statistics by country and brief facts*, May 21, 2024, accessed [here](#).

¹¹ C, accessed [here](#).

¹² The Department of Climate Change, Energy, the Environment and Water, *Policies and governance for waste*, accessed on 1 June 2025 [here](#).

¹³ Parliament of Australia, *Chapter 2: Current waste management and recycling practices in Australia*.

¹⁴ *Ibid*.

Case Study 3: Renewable Energy

Australia's transition to net zero is heavily reliant on the rapid expansion of renewable energy, yet regulatory fragmentation and inefficiencies are stalling progress. Inconsistent approval processes across jurisdictions have led to significant project delays and a sharp decline in investment—dropping 80% in 2023 alone. Major players like Ellaktor, RCR Tomlinson, and Woodside Energy have exited or withdrawn from the market due to costly delays and complex regulations. As Clean Energy Investor Group (CEIG) CEO Richie Merzian noted, “inconsistent and inefficient regulatory processes are hindering the billions of dollars of investment needed for Australia’s clean energy transition.”¹⁵

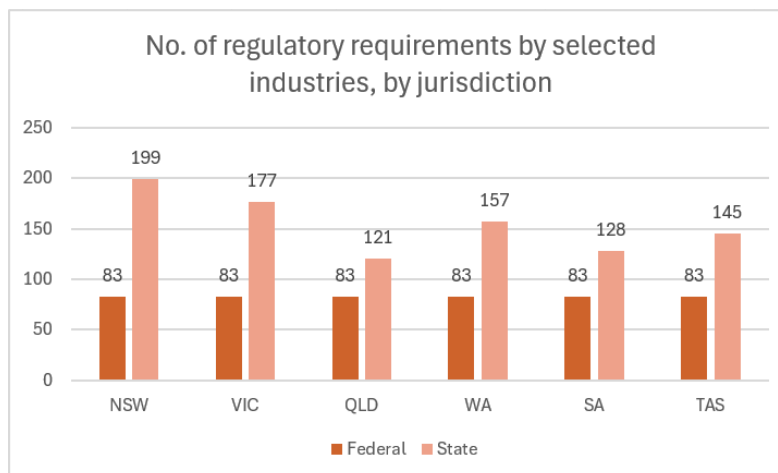
The Productivity Commission has recommended reforms to streamline the adoption of international standards to enable an efficient net zero transformation. However, without addressing the more urgent need of regulatory fragmentation and inefficiencies, Australia risks falling short of its net zero goals.

Case Study 4: Regional Australia and fragmented regulation

Regional Australia plays a vital role in the national economy, with nearly 800,000 businesses (97.5% of them small enterprises) and nine of Australia’s top ten exports originating from areas in regional Australia.¹⁶ However, overlapping federal, state and local regulations, along with complex ESG mandates are stifling prosperity in regional areas. These barriers lead to costly delays and reduce competitiveness in key sectors like agriculture, mining and tourism.

A recent Page Research Centre report found an estimated 927 state regulations alongside 83 federal regulations across energy and mining, tourism and food, wine and agribusiness. Environmental regulations add to these costs, especially in Queensland, where 42 Acts addressing environmental standards contain 2.73 million words. New South Wales has 41 Acts containing 1.49 million words, and Victoria has 32 Acts with 2.21 million words.¹⁷

Figure 1: Number of regulatory requirements by selected industries¹⁸ by jurisdiction.



Source: A complex, costly web: the regulatory burden on Australia’s regional businesses (2025, p. 9).

Australia’s fragmented ESG framework is also impacting global competitiveness, as major banks such as ANZ and Westpac have scaled back or stopped financing thermal coal projects - despite these projects accounting for 89% of coal production in New South Wales.¹⁹

¹⁵ Herbert Smith Freehills, *New report targets “quick wins” to support Federal environmental approvals for large-scale renewable energy projects*, 11 December 2024, accessed [here](#).

¹⁶ Page Research Centre, *A complex, costly web: the regulatory burden on Australia’s regional businesses*, 1 January 2025, accessed [here](#).

¹⁷ *Ibid.*

¹⁸ Selected industries refer to: Energy and Mining, Tourism and Food, Wine and Agribusiness

¹⁹ *Ibid.*

3. Enhancing efficiency through sponsored access and alignment of voluntary and mandatory standards processes

3.1. Sponsored access to regulated standards through occupational licensing schemes

It is our view that sponsored access to regulated standards should be considered by the Productivity Commission as a mechanism for supporting regulatory efficiency. Standards Australia's distribution model aims to be flexible and supportive of innovative approaches, and provide access to standards where they are needed. By offering a range of access options, including free reader room access to standards for personal, domestic and household use, innovative digital formats, user sets and subscriptions, Standards Australia seeks to accommodate diverse user needs. Our model promotes collaboration with industry stakeholders and government entities to develop tailored solutions to accessing our catalogue of standards, including national standards and international standards developed by ISO and the IEC.

There is an opportunity to expand this model to better facilitate access to regulated standards for the professionals that are required to comply with them. Sponsored access to regulated standards could significantly enhance regulatory efficiency, improve safety, increase quality and reduce costs. Access to these standards at reduced costs would put downward pressure on the cost burden of regulatory compliance for Australian businesses and would eliminate a barrier that smaller businesses may face in entering the market. It would also ensure that practitioners have the necessary resources to comply with regulatory requirements.

It is our position that a sustainable approach to sponsoring access to regulated standards is through providing access under occupational licensing schemes. A model of integrating access to relevant standards in occupational licensing, will ensure that relevant standards reach practitioners when they apply and renew their license. This systematic approach will ensure that professionals gain access to the standards not only at the time of seeking a new license, but that they also will be informed of any amendments that they may not be aware of and provided access to new or updated standards at the time of renewal.

3.2. Amendments to the administration of mandatory standards development to establish greater alignment between voluntary and mandatory standards development and review processes in Australia

Another area that Standards Australia suggests that the Productivity Commission should focus attention on is the lack of efficiency in regulatory setting in Australia. There is scope to make amendments to the administration of mandatory standards development and compliance methodologies in Australia through bringing processes in line with best practice models.

One such opportunity is to review Australia's regulatory frameworks and to investigate the appropriateness of making amendments in order to allow compliance through performance-based measures, and through setting the minimum necessary requirements. This additional flexibility could support Australian businesses to comply with regulation in a manner that meets their business practices and is less costly through:

- a performance solution pathway that allows compliance through unique solutions that meet the stated performance requirements of the mandatory standard
- a deemed-to-satisfy approach that uses set methods that are deemed to meet the Performance Requirements of the mandatory standard; or
- a combination of deemed-to-satisfy and performance solutions.

There is also a case for enhancing the regulatory frameworks through non-legislative improvements to administrative arrangements. Many current regulatory arrangements across all levels of Australian Government do not apply a set of principles and rules for the assessment and maintenance of referenced voluntary standards. In almost all instances, the processes of the regulators and Standards Australia are not aligned and there is no clear set of processes or procedures that give guidance at an administrative level on considering and updating referenced standards. Additionally, there is no framework in place for the assessment of other standards and specifications that could be developed by other voluntary standards writers.

The mandatory Australian Product Safety Standard for bunk beds is a prime example of voluntary and mandatory Australian standards setting being misaligned. The Australian mandatory standard for bunk beds (Consumer Protection Notice No. 1 of 2003) was introduced in 2002 and references the 1994 version of the voluntary Australian standard (AS/NZS 4220:1994). The voluntary Australian standard has since been updated in 2003 (AS/NZS 4220:2003) and again in 2010 (AS/NZS 4220:2010).

It was not until 2016 that the ACCC conducted a review to consider amending the mandatory safety standard. When the review was undertaken, while amending the mandatory standard by adopting sections of the updated voluntary Australian standard was introduced as the preferred proposed policy option considered by the ACCC, the mandatory safety standard for bunk beds continues to reference the 1994 version of the voluntary Australian standard.²⁰

Standards Australia suggests that the establishment of Protocols between regulators, such as the ACCC, and Standards Australia could be considered as a way to support timely review of regulated standards, and support greater interconnectedness and alignment between the process of developing and updating mandatory standards, and the development and revision processes of voluntary standards undertaken by Standards Australia.

Such protocols can facilitate greater engagement between the regulator and Standards Australia on the development, amendment and revocation of voluntary Australian Standards that are referenced in regulation. They can set the rules of racing to ensure that regulators are kept fully informed about the progress of the development or revision of regulated standards. They can also allow regulators to leverage the Standards Australia consultation process to determine whether it is appropriate to automatically update referenced voluntary Australian standards in mandatory standards. In the instances where it is not appropriate and further review and consideration is necessary, it would allow the mandatory standards update process to be run more simultaneously with the voluntary Australian standards process.

A precedent example of regulatory design

While recent reviews, including the Productivity Commission 2025 research paper *Housing Construction Productivity: Can we fix it?*, have highlighted challenges in the implementation of the National Construction Code (NCC), particularly in its interaction with state and local regulations, it is important to recognise that the NCC remains sound in principle and represents a strong precedent for a performance-based regulatory framework. The NCC enables flexibility and innovation in how compliance is achieved, while referencing standards that provide prescriptive, deemed-to-satisfy solutions as one of the many pathways to meeting the performance requirements.

²⁰ ACCC, *Review of the mandatory safety standard for bunk beds - Draft Regulation Impact Statement*, February 2016, accessed [here](#).

The relationship between the Australian Building Codes Board (ABCB) and Standards Australia is guided by the ABCB Protocol for the Development of NCC Referenced Documents. This protocol outlines the requirements for technical documents to be referenced in the NCC, ensuring that such documents are suitable for regulatory use, developed through a transparent and consensus-based process, and formatted in line with the Code's structure and drafting principles.

Since its introduction in the mid-1990s, this model has enabled collaboration between regulatory and voluntary standards-making bodies, supporting consistency, safety, and innovation in the built environment. While improvements in implementation are needed, the foundational design of the NCC and its supporting standards framework remains a valuable example of how performance-based regulation can be effectively underpinned by standards developed through open and balanced processes.

4. The Productivity Commission should incorporate risk analysis that considers geopolitical dynamics, trade exposure and requirements, and regulatory sovereignty in undertaking the National Competition Policy review.

Australia's standards system is imperative to ensuring private sector competitiveness and national resilience. The global standards landscape is no longer solely technical, it is increasingly a domain of geopolitical competition. International standards are being used as strategic tools to shape global norms, secure long-term market access, and advance national strategic objectives.

Major economies are pursuing influence through technical leadership, regulatory reach, and institutional engagement. One example is the *China Standards 2035* strategy that was launched in 2018 in support of *Made in China 2025*. It has the aim of creating a blueprint for the Chinese government and leading tech companies to set global standards for emerging technologies, such as 5G, Internet of Things (IoT), and artificial intelligence (AI).

This strategic competition is exacerbated by:

- The accelerating pace of global standardisation, particularly in emerging areas such as artificial intelligence, quantum computing, and digital identity;
- Forum shopping and the rise of competing standards bodies, undermining the coherence and neutrality of traditional multilateral forums.

In this complex environment, middle powers face a dual challenge: limited resources to maintain presence across proliferating technical committees, and growing pressure to conform to standards shaped without their input.

Domestically, a shift toward direct adoption of overseas standards, even where efficient in the short term, risks bypassing inclusive international processes, undermining Australia's ability to shape the global rulebook, and embedding foreign regulatory priorities, or potentially foreign patents, that may both undermine the competitiveness of Australian industry, and may not be suitable or safe for Australian conditions.

Our MoU with the Commonwealth underpins Australia's ability to actively contribute to international standards development. Maintaining a credible and inclusive domestic standards process strengthens Australia's voice internationally, including the voice of Australian businesses, and ensures that Australia's unique needs are considered in the development of global standards.

This approach provides:

- Independent national oversight;
- Multi-sector engagement;
- Clear alignment with Australia's international obligations and national priorities.

It ensures that Australian interests and sovereignty are represented and safeguarded. Standards Australia supports and facilitates advocating for national priorities in the development and adoption of international standards, including national security, safety, environmental protection and economic competitiveness priorities. This involvement ensures that Australia has influence in setting the international norms that affect trade, technology and public health and that our national context is considered in adopting standards and regulatory frameworks.

It also ensures consistency with Australia's trade obligations. It is a requirement under Australia's WTO obligations that Australia use relevant international standards, guides or recommendations as a basis for regulations, unless a relevant international standard does not exist, or the international standard is not appropriate to fulfill the policy objectives pursued due to factors such as climatic or geographical difference. (Articles 2.4, 2.9 and 5.4 of the TBT Agreement).

According to the WTO's definition, International Standards are documents developed through the processes of organisations whose membership is open to the relevant bodies of at least all Members of the WTO (Annex 1 Para. 4 of the TBT Agreement), such as:

- International Organization for Standardization (ISO);
- International Electrotechnical Commission (IEC); and,
- International Telecommunication Union (ITU).

Separately assessing International Standards from other standards developed by national and overseas standards writing bodies is important because Article 2.5 of the WTO Agreement provides:

*2. 5. A Member preparing, adopting or applying a technical regulation which may have a significant effect on trade of other Members shall, upon the request of another Member, explain the justification for that technical regulation in terms of the provisions of paragraphs 2 to 4. Whenever a technical regulation is prepared, adopted or applied for one of the legitimate objectives explicitly mentioned in paragraph 2, and **is in accordance with relevant international standards, it shall be rebuttably presumed not to create an unnecessary obstacle to international trade.** (Emphasis added)²¹*

The rebuttable presumption does not apply to regional (for example, CEN Standards), national (Standards developed by national standards bodies), or private standards (developed by organisations, companies, and consortia outside of the International and national standards setting process).

Standards Australia will continue to implement this policy across all sectors of the Australian economy. If Australian regulators were to pursue such an avenue of adopting standards from other National Standards Bodies or overseas Standards Development Organisations, instead of International Standards, they would need to demonstrate a market driven need and clear process in which to do so, including adequate stakeholder consultation across, industry, consumers, regulators and academia.

²¹ The World Trade Organization (WTO) Technical Barriers to Trade Agreement (TBT Agreement), available [here](#).

5. The Productivity Commission should evaluate broader public interest impacts beyond GDP, including community trust, regulatory transparency, and institutional resilience in undertaking the National Competition Policy review.

It is our view that the Productivity Commission's evaluation of national competitiveness should extend beyond pure economic indicators to encompass broader public interest impacts. As one example, public trust in the regulatory environment is a critical component in fostering a competitive environment. Institutional confidence is essential for encouraging compliance, facilitating implementation and promoting a good regulatory environment for Australian business. By considering public interests, such as public trust, as a measure for competitiveness in the National Competition Policy review, the Productivity Commission can ensure that its evaluations reflect the health of social capital and community engagement, which are vital for economic growth.

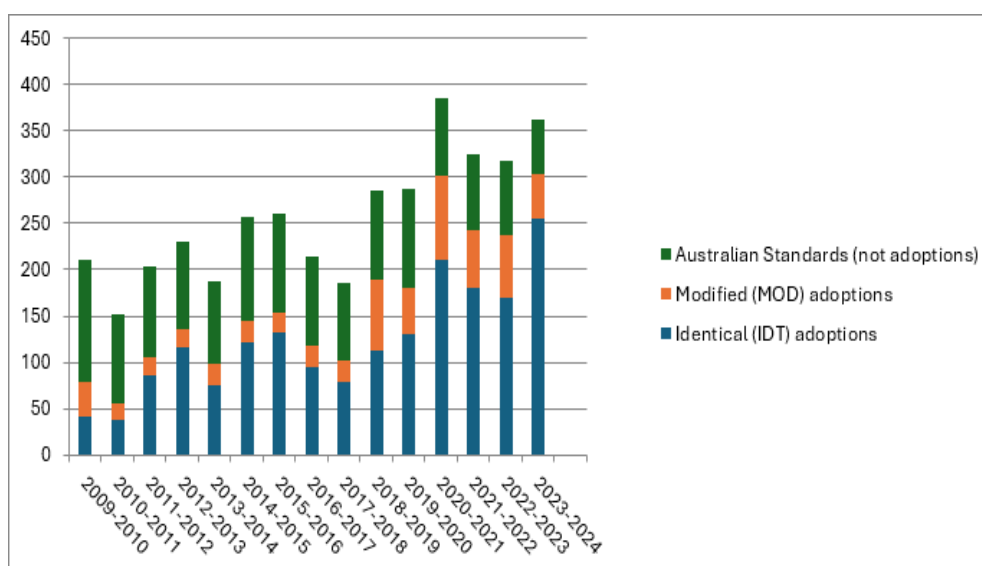
Regulatory transparency is another significant factor that should be evaluated in the review. A transparent regulatory framework not only enhances accountability but also enables stakeholders to better understand and engage with the system. Evaluation of the transparency of regulatory development should be a central consideration of the Productivity Commission to ensure that recommendations do not undermine local engagement, consultation and the resulting trust, in the setting of regulations in Australia.

Lastly, institutional resilience should be a fundamental aspect of the evaluation process. In the fast changing economic landscape, the ability of institutions to adapt to shocks and stresses is crucial for maintaining competitiveness. The Productivity Commission should explore how resilience in regulatory frameworks can enhance the capacity of institutions to respond to emerging challenges, such as technological advancement and global economic shifts. This approach of considering broader public interest impacts will ensure that the National Competition Policy review is comprehensive, addressing not only economic considerations but also the social and institutional factors that contribute to prosperity.

6. Standards Australia's international adoption framework

Whilst significant progress has been made in streamlining the adoption of ISO and IEC standards, and in its the capacity to adopt European and selected national or sectoral SDOs—on a case-by-case basis, Standards Australia is committed to further enhancements to enable a more agile and efficient pathway for greater alignment and harmonisation and to meet the evolving needs of Australian industry and regulators.

The graph on the following page depicts the number of standards published by Standards Australia over the last 15 years. It demonstrates that improvements in our internal systems and greater encouragement of adoptions of international standards are yielding measurable results; with the trend highlighting increasing uptake of identical and modified international standards, and corresponding trend of a reduction in "Australian only" standards.



While we have made great strides and improvements in our streamlined adoption processes - allowing for faster and more efficient alignment with international standards - we acknowledge and are proactively taking steps to further improve the consistent application and utilisation of these processes. This is particularly true in instances where stakeholder interests, rather than objective net benefit considerations, have delayed or prevented international harmonisation. We have mechanisms in place to address these governance challenges but acknowledge that enhancing early scrutiny of proposals and enabling faster resolution of such impasses is essential to ensure timely and trusted adoption outcomes.

As part of its FY26 Strategic Priorities, Standards Australia is undertaking a comprehensive end-to-end review of its standards development function, including how standards are initiated, developed, reviewed, adopted, and maintained. This review aims to improve efficiency, governance, and stakeholder engagement across the lifecycle of standardisation. We would welcome any specific recommendations from the Commission that could be considered as part of this review process.

7. Ensuring clarity on the scope and intent of the reforms considered under the NCP analysis

To support the reform considerations under the NCP analysis, we highlight the need for greater clarity on the scope and intent of the reforms being considered. Of relevance to *Information Request 2*, we note that the Treasurer's request refers to the adoption of overseas standards as a priority reform for consideration under the NCP. However, this proposal for reform is not included in the *Intergovernmental Agreement on National Competition Policy*²² that was released on 5 March 2025 or the accompanying *Federation Funding Agreement Schedule*.²³

Instead, the Agreement refers more broadly to promoting a single national market and avoiding the creation of regulatory barriers across jurisdictions (Schedule 5, Principle 5). In this context, we respectfully suggest that additional consideration and clarification is required on:

- How the proposed reform to the adoption of overseas standards aligns with current intergovernmental NCP commitments; and
- Whether the intent is to introduce new mechanisms or strengthen existing ones.

²² *Intergovernmental Agreement on National Competition Policy*, 5 March 2025, available [here](#).

²³ *Federation Funding Agreement Schedule*, 5 March 2025, available [here](#).

Australia's current regulatory settings already allow for the referencing of international, regional, and overseas standards where appropriate. For example, many of Australia's mandatory product safety standards include references to international or regional standards alongside Australian Standard (AS) or Australian/New Zealand Standards (AS/NZS). This flexible approach recognises the value of international standards while ensuring they are fit for purpose in the Australian context.

The Commission's advice and modelling should reflect the scope of current frameworks and clarify where proposed reforms would extend beyond existing arrangements in assessing both the benefits and risks of any proposed amendments.

ATTACHMENT B: Case studies that show the need for modifying overseas standards in Australia

Case Study #1 – Prams and strollers		
Standard for modification	Relevant Standard	Rationale
EN 1888:2012 Child care articles - Wheeled child conveyances - Safety requirements and test methods ASTM F833-15 Standard consumer safety performance specification for carriages and strollers mandated in the US Code of Federal Regulations Part 1227	Consumer Product Safety Standard for Prams and Strollers made under the Competition and Consumer Act 2010	To mitigate safety risks and hazards.
The Consumer Product Safety Standard for Prams and Strollers was put in place in 2008 under the <i>Trade Practices Act 1974</i> after three high profile deaths of children in prams or strollers occurred 2008 where the caregiver lost control and the pram or stroller rolled into a body of water – two in a South Australian river and one off a jetty into the sea. ²⁴		
Case Study #2 – Amusement Park & Rides		
Standard for modification	Relevant AS Standard	Rationale
EN 13814:2019 series, <i>Safety of amusement rides and amusement devices</i> .	AS 3533 -2009 series, <i>Amusement rides and devices</i> .	To help mitigate safety risks and support Australia's tourism industry.
<p>In 2014, an 8-year-old girl tragically died while riding an amusement ride at the Royal Adelaide Show.²⁵</p> <p>Following a Coronial Inquest into 4 deaths on a water ride at Dreamworld in 2016, Standards Australia's Technical Committee ME-051 has decided to review and revise AS 3533.2, <i>Amusement rides and devices, Part 2: Operation and maintenance</i>.²⁶</p> <p>The committee decided to review and modify the adoption of the European standard EN 13814 series, <i>Safety of amusement rides and amusement devices</i>, to protect public safety and Australia's tourism industry. Modification is imperative to account for wind loads suited to Australia's conditions and to provide clarity related to implementation of the standard.</p> <p>Without these amendments, the heightened safety, performance and compliance risks will remain.</p>		

²⁴ ACCC, *Review of the mandatory standard for prams and strollers – Consultation paper*, January 2017, available [here](#).

²⁵ Harvey Biggs, *Adelene Leong flung from Royal Adelaide Show ride at 100km/h, inquest told*, 9 News, Feb 17, 2021, available [here](#).

²⁶ BBC News, *Dreamworld accident: Australian theme park fined over four deaths*, Sep 28, 2022, available [here](#).

Case Study #3 – Medical and Surgical Gloves		
Standard for modification	Relevant AS Standard	Rationale
ISO/DIS 11193-1, <i>Single-use medical examination gloves - Part 1: Specification for gloves made from rubber latex or rubber solution</i> . ISO 10282:2023, <i>Single-use sterile rubber surgical gloves — Specification</i> .	Modification of ISO/DIS 11193-1 as AS 11193.1 in progress.	To help protect Australia's quality and safety benchmarks of medical and surgical gloves.
<p>Quality defects of medical and surgical gloves risk up to 30% of healthcare workers against contamination.²⁷ In Europe, 4.1 million people are affected by healthcare associated infections annually, costing approximately \$12.3 billion a year.²⁸ Standards Australia Technical Committee HE-013, Surgical Apparel, identified aspects of two international ISO standards for medical and surgical gloves that are not aligned with Australia's quality and safety requirements and benchmarks.²⁹</p> <p>With endorsement from Australia's Therapeutic Goods Administration (TGA), modifications are underway to address specifications on cuff rupture test, sampling scheme for acceptable quality level, descriptive sizes and hole testing criteria.</p> <p>The modifications are intended to ensure high quality gloves, mitigating the risks to the safety of healthcare professionals, patients and the wider community.</p>		
Case Study #4 – Earth-moving machinery		
Standard for modification	Relevant AS Standard	Rationale
ISO 20474 series, <i>Earth-moving machinery</i> .	Modification of ISO 20474 series as AS 20474 in progress.	To help ensure safety and regulatory efficiency.
<p>'Machinery operators and drivers' has the highest fatality rate by occupation at 8.3 per 100,000 workers – six times greater than the overall work fatality rate of 1.4, and a fatality count of 73 in 2023.³⁰ This category has accounted for approximately \$292.2 million of compensation by median value in 2023 alone.³¹</p> <p>Australia is a global powerhouse in the mining and construction sector where safety and economic risks cannot be overlooked.</p> <p>Standards Australia Technical Committee, ME-063, Earthmoving Equipment, is modifying international standards on earthmoving machinery in the domains of access systems, tyre and rim safety, cabin air quality, electrical safety features on machinery and fire prevention among others.</p>		

²⁷ Hand Hygiene Australia, *Appropriate Glove Use*, available [here](#).

²⁸ [Why gloves are essential in infection prevention | Abena health care](#); [7 billion Euros to Australian Dollars - 7 billion EUR to AUD](#); The approximate figure of \$12.3 billion is in Australian dollars equivalent to EUR 7 billion as of May 21, 2025; Values are approximate.

²⁹ The 2 international ISO standards for medical and surgical gloves are: 1. ISO/DIS 11193-1, *Single-use medical examination gloves - Part 1: Specification for gloves made from rubber latex or rubber solution*, and 2. ISO 10282:2023, *Single-use sterile rubber surgical gloves — Specification*.

³⁰ [Key Work Health and Safety Statistics Australia 2024 | dataswa](#)

³¹ [Key Work Health and Safety Statistics Australia 2024 | dataswa](#); The median compensation value averages compensation value across all industries, in which the \$292.2 million value may overlook the \$34,300 median compensation value of the mining sector – the highest across all sectors. The median compensation value for machinery operators and drivers as follows: (139,000 x 14.6%) x \$14,400 = \$292,233, 600 [(Total count of serious claims for 2023 x Percentage of serious claims for machinery operators and drivers) x Median compensation paid (AUD) = Median compensation paid for serious claims by machinery operators and drivers in 2023].

Case Study #5 – Arc welding equipment

Standard for modification	Relevant AS Standard	Rationale
IEC 60974-4:2016, <i>Arc welding equipment - Part 4: Periodic inspection and testing</i>	AS 60974.4:2025, <i>Arc welding equipment, Part 4: Periodic inspection and testing (IEC 60974-4:2016 (ED. 3.0) MOD)</i> .	To ensure safety.

In 2011, a young 23-year-old production supervisor in Queensland was fatally electrocuted while using an arc welding equipment.

Mitigating safety risks is of upmost importance in welding as accidents and serious 'near misses' are happening across Australia every week.³²³³

With standards having a critical role in helping to ensure safety for welders, public comments led to the cancellation of Standards Australia's planned identical adoption of IEC 60974-4:2016, *Arc welding equipment - Part 4: Periodic inspection and testing*.

Comments received from the public led to the modification of four clauses relating to test sequence, continuity of the protective circuit, protective conductor current, voltage-reducing devices – which aim to improve the safety of welding power sources and mitigate risks of injuries and electrocutions to Australian welders.

In 2025, the modified international standard was published as AS 60974.4:2025, *Arc welding equipment, Part 4: Periodic inspection and testing* enhancing the safety and protection of Australian welders.

Case Study #6 – Deck safety harness

Standard for modification	Relevant AS Standard	Rationale
ISO 12401:2009, <i>Small craft - Deck safety harness and safety line - Safety requirements and test methods</i> .	Modification of ISO 12401:2009 and replace AS 2227-2006, <i>Yachting harnesses and lines - Conventional lines</i> , as AS 12401 in progress.	To help ensure safety, improve competition, improve public confidence and lead in benchmarking best practices.

In 2017, a British competitor in the Clipper Round the World Yacht Race destined to Fremantle, Australia, was fatally swept overboard despite wearing the correct safety equipment.³⁴ Investigations revealed the safety harness tether hook was distorted despite the harness tether being certified under ISO 12401:2009, *Small craft - Deck safety harness and safety line - Safety requirements and test methods*.

In light of such safety risks, Standards Australia Technical Committee CS-060, Lifejackets and Personal Safety Equipment for Small Craft, is in the process of modifying the international standard ISO 12401:2009 to update AS 2227-2006 for ensuring relevancy and enhancing safety measures; and to address potential safety limitations of ISO 12401:2009.

Modifications aim to improve competition, benchmark best practices, improve public confidence and improve public health and safety by enhancing requirements for hooks used in safety lines. Failure to modify may sustain the limitations found in the international standard, posing a significant public health and safety risk while waiting for any update of international standards.

³² Keeping Australian welders safe: Weld Australia's free welder safety resources Manufacturers' Monthly, Sep 15, 2021, available [here](#).

³³ How Common Are Welding Accidents & Injuries? (2025 Statistics), Water Welders, May 18, 2025, available [here](#).

³⁴ Urgent safety advisory issued after fatal tether failure in race, Sail-World, Jan 10, 2018, available [here](#).