RED TAPE: Standards and the Regulatory Reform Agenda
Standards are a cost-effective alternative to government regulation and oversight.

Standards can lessen the future regulatory burden on business by improving quality and systems.

Only one-quarter of Australian Standards become compulsory through legislation or contracts. In most cases voluntary standards are all that is required.

Self-regulation, through Australian Standards, changes industry and market behaviour.

New Australian Standards are developed to respond to changing economic, consumer, and social needs.

Standards can offer quasi-regulation as an alternative to legislative remedies.

Standards complement existing regulations and help markets work better and more efficiently.

Standards are able to pre-empt the need for government intervention. Standards development is led by industry and stakeholders.

Standards encourage best-practice environmental, health and safety outcomes lessening the need for government intervention.

Australian Standards Combat Red Tape
Australian Standards as Public Policy Solutions

Australian Standards have the capacity to solve public policy challenges. They are one policy tool in a regulatory spectrum that may be applied by governments to provide a solution to a problem.

- Standards are a consensus-based alternative to black letter law
- Standards are the ‘invisible hand’ that make products and systems work as intended
- Standards pre-empt the need for government intervention
- Standards encourage best-practice health, social and environmental outcomes
- Standards guide consumer and market behaviour

### LEVEL OF GOVERNMENT INTERVENTION

<table>
<thead>
<tr>
<th>Level of Government Intervention</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>No action</td>
<td>Non-regulatory solutions, e.g. information program</td>
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<tr>
<td></td>
<td>Self-regulation, including Australian Standards, industry codes</td>
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<td></td>
<td>Quasi-regulation, including Australian Standards endorsed by government</td>
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<tr>
<td></td>
<td>Co-regulation, including Australian Standards called up in regulation</td>
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<td></td>
<td>Law (government legislation)</td>
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Standards Promote & Grow World Trade

- Standards ensure products manufactured in one country can be sold and used in another, reducing need for government oversight
- By encouraging interoperability, international standards lessen the need for jurisdictions to develop unique regulation
- Standards reduce barriers-to-trade by establishing agreed international standards for products and services
- Standards expand global trade between nations and thereby expand world GDP