



## **AUSTRALIAN STANDARDS – GUIDING PRINCIPLES**

### **Standards Securing Australia's Future**

A robust and efficient Standards setting process is crucial to participation in global markets. Standards facilitate trade and market exchange, provide confidence about the safety of products, and address technological, social and environmental issues.

Standards ensure that Australian products and services are competitive on the world stage. As Australia's peak Standards body, Standards Australia aims to direct its resources where they will deliver the most value for the national economy, and have a policy of adopting international standards to the maximum extent feasible and to apply the requirements of the World Trade Organization (WTO) Agreement on Technical Barriers to Trade (commonly referred to as the TBT Agreement) as a benchmark.

The primary consideration when developing Standards should be the demonstration of net benefit to the Australian community as a whole.

### **Standards**

A Standard is a published document which sets out specifications and procedures to ensure that a material, product, method or service is fit for purpose and consistently performs the way it was intended.

Any country looking to engage or participate effectively in the global economy needs a robust, internationally relevant and effective Standards setting process. As noted by the Productivity Commission, Standards contribute to the economy because:

- Standards play a pivotal role in facilitating market exchange: distant parties unknown to each other are able to share expectations on the qualities of products and processes, and ensure compatibility;
- Standards provide consumers with greater certainty about the quality and safety of products;
- Standards are increasingly used by governments to address concerns about social issues and the environment; and
- International Standards facilitate trade, global transport, communication and technological innovation.

Standards are generally established by consensus agreement and approved by a recognised body. They are developed with the input of a variety of sectoral groups to meet pre-identified needs.

There are both voluntary and regulatory Standards.

In Australia, a leading form of voluntary consensus Standards are Australian Standards®; trademark protected and developed by Standards Australia. However, a number of other organisations also develop voluntary Standards.

Regulatory Standards may only be established by government agencies and departments. Regulatory Standards attempt to protect the health or safety of persons or the environment through mandatory compliance.

Governments may choose to establish their own regulatory Standards or cite voluntary Standards in their regulations (such as Wiring Rules covering electrical installations) and so make compliance compulsory (thereby making these regulatory Standards).

Alternately, Governments may choose to rely on voluntary Standards as a substitute for regulation (as is currently the case for the Risk Management Standard). As a result, voluntary Standards developers must interface effectively with the regulatory sector.

Standards Australia recognises the valuable contribution of our committee members to the development of Australian Standards.

For more information on Standards and regulation please visit [www.standards.org.au](http://www.standards.org.au); [www.coag.gov.au](http://www.coag.gov.au); [www.finance.gov.au/obpr](http://www.finance.gov.au/obpr)

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## **Principles**

The principles to guide development and alignment of Australian Standards are:

*Principle 1: Standards will benefit the Australian community*

*Principle 2: Australia will influence the development of and maximise use of relevant International Standards*

*Principle 3: Standards development will be driven by the needs, and relies on the commitment of stakeholders; and*

*Principle 4: Australian Standards will only be produced where appropriate*

**Principle 1: Standards will benefit the Australian community**

Standards can make a sustained contribution to generating national wealth, improving our quality of life, increasing employment, improving safety and health and using our national resources more efficiently.

To justify development, a standard must demonstrate net benefit, providing a value or benefit to the Australian community that exceeds the costs likely to be imposed on suppliers, users and other parties in the community as a result of its development and implementation.

Research and development, an important component of any modern economy, is of little use if the ideas and discoveries that result are not disseminated and used and if they can't provide a basis for future innovation.

Standards, if they are timely and appropriately based, can directly contribute to the diffusion of ideas and can provide a means by which new ideas are embodied in products or processes.

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**Principle 2: Australia will influence the development and maximise use of relevant International Standards**

Australia's economic future is best secured through efficient global trade, where, and as appropriate, the products produced and used in Australia are of the highest quality and fully compatible with global markets.

To this end, Australia has been actively involved in international Standards development. Australia has signed the World Trade Organisation Technical Barriers to Trade, (WTOTBT) Code of Good Practice for the Preparation, Adoption and Application of Standards, committing to the utilisation of international Standards wherever possible.

Australia's participation in international Standards development is to be in the national interest and recognise the priorities of the Australian community, and participation is to be focussed where there is potential for the greatest net benefit for the Australian community.

Australia must influence and contribute to relevant, prevailing international Standards to realise the full potential of the global marketplace and meet WTOTBT obligations.

The key to effective engagement is for government and industry stakeholders to have quality intelligence on existing international Standards and those under development by the key WTO compliant Standards Development Organisations (SDOs), as well as effective mechanisms to determine Australia's consensus response to standardisation proposals and input to international development processes.

For more information on the WTOTBT and Code of Good Practice, please visit [www.standards.org.au](http://www.standards.org.au); [www.wto.org](http://www.wto.org)

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**Principle 3: Standards development will be driven by the needs, and relies on the commitment, of stakeholders**

In this context, “stakeholder commitment” means the preparedness of members of the relevant community or sectoral groups to engage in the development of a standard.

Where a standard is justified as the most appropriate solution, the process is facilitated by Standards Australia and sectoral groups should be engaged in the development of a standard to meet their identified need. Sectoral groups are the parties most likely to be affected by new Standards. They are also best placed to identify, agree and implement an optimal solution.

For voluntary Standards to be effective, they must be developed with the knowledge, engagement and agreement of all interested parties. Standards Australia will assemble a balanced committee giving reasonable representation of all interests likely to be affected by the resulting standard. A transparent process should exist for the development of the standard, enabling input and review by a wide community of interests and including a fair process for hearing and resolving any complaints about the standard or its development. Development processes should be dynamic and take advantage of emerging technologies to facilitate engagement and efficient outcomes.

Where voluntary Standards interface with the regulatory sphere, procedures are required to ensure that a standard is the tool which best suits the purpose.

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**Principle 4: Australian Standards® will be produced where appropriate**

Participation in the global market requires adherence to international Standards wherever possible. However Australia must retain an effective capacity to produce Australian Standards®.

Certain geographic and regulatory issues or climatic variability may mean that International Standards are not always applicable or need modification.

Australian Standards® may also be required if there are no existing or related Standards. Australia has a close relationship with New Zealand formalised in various Trans Tasman Treaties. This requires close cooperation on the development of local Standards and where possible, Australian Standards® should be compatible with New Zealand Standards.

Standards development infrastructure in Australia should support efficient and competitive Standards development by competent SDOs to meet the justified need for Australian Standards® as identified by sectoral interests in a timely and effective manner.