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Study into Standard Setting and Laboratory Accreditation
Productivity Commission
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## REVIEW OF AUSTRALIAN GOVERNMENT'S RELATIONSHIP WITH STANDARDS AUSTRALIA LIMITED AND THE NATIONAL ASSOCIATION OF TESTING AUTHORITIES…

I have the honour to submit the following comments on the Productivity Commission Draft Research Report *Standard Setting and Laboratory Accreditation* dated July 2006 (hereafter the 'draft report')

I have had the pleasure of working with Standards Australia Limited (hereafter 'SAL') for several years now in various standardisation committees in the information technology sector, and with management of SAL in various public consultation fora.

In a previous employment role I was responsible for maintenance of NATA accreditation for a calibration laboratory for electronic systems.

I support strongly the statement made on page XIV of the draft report that: '*In general, Australia's standard setting and laboratory accreditation arrangements are working effectively, but there is scope for improvement*.' Some suggestions for such improvements are made on the following pages

In Chapter 2 the Key Point statement that standards… play a pivotal role in facilitating market exchange is of paramount importance and should be made over and again in as prominent a manner as possible. All of these roles are vital but these are often not appreciated:

- Assuring quality or safety and reducing transaction costs
- Ensuring the compatibility of products (**and also services and communications**)
- Generating economies of scale (**especially when extended to international use**)
- Diffusing technological developments (**especially from international sources into Australia**); and
- Providing regulators with additional tools…

I will be pleased to provide further information or clarification should the Commission desire this

With kind regards
DISplay Pty Ltd

Chris J Skinner
Principal

Annex containing comments

**Annex to DISplay Pty Ltd Submission to Productivity Commission re:
Standard Setting and Laboratory Accreditation**

General comment:

The draft report appears to be comprehensive and there are no general comments offered. Specific comments are keyed to the text of the draft report as follows:

*<Chapter, section, page, section, line> Topic / short quotation*
*Comment:*

Specific comments:

1. *<Overview, key points, XIV, Standards setting, 6> Standards Australia's processes can be made more efficient and effective by ensuring:*
*...*
   - *barriers to volunteer and public participation are addressed;*

Comment:
There are many potential participants in standardisation that are inhibited by the financial burden of their participation in face-to-face meetings. SAL invariably offers teleconference facilities for committee meetings but participants are not always happy to make use of this option. In addition there is the income forgone to attend meetings in normal working hours and not always paid for by an employer. Nevertheless there is still a very large number of volunteers who are able to participate effectively

A second inhibition comes from the irritating level of personal administration that is required to keep up with changes in draft documents and in their formatting. This should be painless for volunteers but is generally not. The level of administrative and editorial formatting support varies by committee and the level of attention from the assigned project manager, but there are always problems. The more fundamental the work the more there is a problem. Frequent requests for assistance to format complex documents with large tabular formats, graphics and hierarchical headings have generally been rejected by SAL. This leaves the volunteers with the frustration of trying to solve problems of formatting instead of concentrating on the content

The website access for standards committee members is fine as long as the project managers keep it up to date but this can be months in arrears. The versioning of documents is frequently confused and people work on obsolete base documents that then make the consolidation of draft inputs a hit and miss affair. There have been several assurances that this will be solved by new processes but it hasn't happened as yet

2. *<Overview, key points, XIV, Standards setting, 10> 'There is also a case for increased... partnering arrangements between Standards Australia and others.'*
Comment:
This statement is strongly agreed in two respects:

a. There are many other organisations involved in standards setting and standards origination that are not formally recognised by Standards Australia but should be. For example: the Institute of Electrical and Electronic Engineers [IEEE], the World-wide web consortium [W3C] and the Object Management Group [OMG] all create standards that are recognised world-wide, but with which SAL has no formal agreement. Another body that was until recently also without such agreement was the United Nations Office for Electronic Business [UN/CEFACT], however Australia's participation in this body is now supported by SAL

b. There are also industry and other groups that have a strong interest in development of standards and the articulation of training and certification to those standards. This should not be a monopoly of SAI Global and SAL should be able to agree with other organisations when SAI Global is inappropriate or unable to provide such service. This will overcome the suspicion that the intellectual property contributed by organisations to the development of a standard then becomes the property of SAI Global without any compensation or royalty.

An example of an agreement with an industry group was the Memorandum of Agreement between Standards Australia and Intelligent Transport Systems [ITS] Australia Inc for the development and publication of data concept standards by means of the proposed Australasian ITS Data Registry [ANZIDAR]. (The agreement was entered into in good faith but was never fully implemented due to lack of funding within ITS Australia to complete the development of ANZIDAR)

3. *<Overview, key points, XIV, Standards setting, 14> 'The Australian Government should continue to support… Australia's participation in international standardisation activities.'*
Comment:
The support provided for international standardisation is modest but effective. What could be improved is not so much the funding but the wider involvement in preparation for such standardisation activity. The committee experts who typically attend and host such standardisation meetings are individuals who rely on other members of the same committee for contributions but cannot seemingly get the ear of the federal government department that is vitally affected by the standardisation activity involved. Thus the participant is often ignorant of the implications of that standardisation work concerned. This contrasts with the practice in other countries where the relevant government department takes a strong interest in what is being developed and in the priorities being applied.

4. *<Overview, key points, XVI, Standards setting, 3> '… the Commission considered (inter alia) the growing importance of international standards to Australia, and the need for Australia to influence the development of international standards and pursue harmonisation….'*
Comment:
This is a critical aspect and one that in my experience is handled very poorly by Australia. There is ample opportunity for Australia to influence standardisation, provided all of the following criteria are satisfied:

1. There is a standardisation committee or group in Australia that has the expertise to understand the issues involved. This may initially be an industry grouping
2. There is frequent participation in the international standardisation activity. As a minimum there should be Australian representation at relevant international meetings not less that once per financial year. This means a budget for a single representative of typically $3000 for each annual meeting (travel and accommodation)
3. The draft standards are reviewed by all members of the Australian committee and also their parent organisations
4. SAL supervisory management must communicate all such standards under development to all relevant federal, state and territory government departments and ensure they do in fact consider the implications. This is a critical step especially for standards in newly emerging areas of technology for which there may not yet be a clearly identified government responsibility. There must be an 'owner' or sponsor of every draft standard, both in government and also in industry groupings where they exist
5. There must be an assessment of impact of the draft standard and this must be fed through to the appropriate level of government. This is not the same thing as the regulatory impact statement that is described in the report on page XXI and following. The impact must also be assessed for other aspects as well, such as the much earlier decision as to whether or not Australia should work actively to influence the nature of the standard while in development (long before it is considered for referencing in a regulation, which might not yet even exist)
6. Finally there must be active involvement by government representatives from peak bodies and government departments with primary responsibility in the area concerned

CASE study:
In the field of Intelligent Transport Systems [ITS] the involvement of the Australian Government Department of Transport and Regional Services has been minimal deferring to other bodies such as AustRoads and state road authorities. However increasingly the field of ITS standards is addressing information and communications technology especially wireless communications and DoTaRS is incapable of dealing with such issues. Department of Communications, Information Technology and the Arts has not been invited to participate on the grounds that it is a transport domain

5. *<Overview Standards setting, XX, Concerns about standards development process, all> 'Major concerns raised in this Study include:*
*…mechanism'*
Comment:
All aspects cited are agreed strongly mindful of specific examples of every point raised. However in the specific issue of the time taken to develop Standards, the cause is not solely project management shortcomings. There are also instances of interpersonal politics between competing strongly held viewpoints and the resort to political activity to advance one view over another. This is very hard to avoid without sufficient investment in team building. It would also help a lot if there were a review mechanism at the next level committee or board to hear the competing viewpoints and make a resolution. Then there is the need for continuous close oversight (governance) to ensure the resolution is

put into effect. In my experience the sector boards are invisible and do not appear to exercise any close oversight of committees

7. . *<Overview, standards setting, XXII, Declining volunteer participation..., 15>*
   *'...avoid drafting by committee'*

Comment:

The drafting by committee is a problem especially as the longer the time taken to get to public draft the more turnover of committee participation and hence the wider ranging views of what should be in the draft. The development of draft AS 8016 is an excellent example of this where it has returned almost to the beginning as new viewpoints have arisen. Employing an independent consultant to create a fist draft would have expedited the process

8 All of the draft recommendations relating to standards setting are supported fully