

**Submission to Productivity Commission  
Review of Standards and Accreditation**

I am one of the two shareholders in a small IT support and consultancy company in Melbourne. I have been involved with Standards Australia since July 2002 as a member of the working group on IT Governance which evolved into IT-30, ICT Governance and Management. Since April 2004 I have represented the Society of Consumer Affairs Professionals (SOCAP) on IT-30. I have been active on both the IT-30-01 and IT-30-05 working groups of that committee. These comments represent my personal views and should not be taken as representing the views of any organisation.

I would not regard myself as being expert in the standards development process however I did play a role in the development of AS8015:2005 Corporate Governance of Information and Communication Technology and the acceptance of BS15000 as AS8018:2004 ICT Service Management (Parts 1 and 2). I am still learning the standards development process and, in particular, the processes surrounding the relationship between Standards Australia and ISO. My perceptions of the standards development process are limited by my relatively recent and minor involvement in the process.

My responses are general and perhaps not entirely rigorous but this is being done at my personal expense and in otherwise productive time.

My responses are as follows;

**a. The efficiency and effectiveness....**

There are in the issues presented some interesting words:

*Are there market failures or weaknesses in standard setting and laboratory accreditation services that justify government involvement?*

*Issues Paper p10*

The implication in this is that, ideally, the government should not have a role in this process. This issue is closely tied to what is, in my opinion, a core issue – who are the stakeholders in the standards setting process. I would argue that the set of stakeholders is more than the peak bodies, more than the associations, more than academia. I would argue very strongly that the major stakeholders in the standard setting process are the people of Australia who have, rightly or wrongly, elected the government of Australia to represent their interests. Government involvement in the standard setting process is justified by this alone.

I have perused the referenced documents PC 2004 and PC 2006 and observe that both documents make their comments in reference to very specific areas. The themes of declining stakeholder involvement and cost burdens associated with committee participation are common to both documents. Part of the stakeholder involvement issue must relate to greater clarity in the identification stakeholders and a general review of their involvement. This issue has been addressed in the Cameron Ralph Report. This same report also comments on cost estimation in standard development and, in particular, recommends that volunteer participant costs be taken into account (p39). It would seem reasonable that as well as taking these costs into account there is a need to contribute to these costs. This would be consistent with the comments made in both PC2004 and PC2006.

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The issue of time to develop standards is also raised. As I have been involved in standards that are voluntary standards and, essentially, “in principle” and process standards, I can only comment from that perspective. AS8015:2005 was a completely “green fields” standard. There is much discussion about the content involved and this standard is a world leader in its field. Although it seemed glacial at the time a development cycle of two and a half years is more than reasonable. The adoption of BS15000 as AS8018:2004 occurred in less than 6 months.

**b. The appropriate role of the Australian Government**

One of the issues that has concerned me as a Technical Committee member is the lack of involvement by government departments and entities that should have a direct interest in the work being done. The ATO has recently released a ruling (TR2005/9) that directly addresses issues covered by AS8015 and the ISO27000 series of standards. It is obvious that the authors of this ruling have had little interaction with the standards setting process and have effectively tried to “re-invent the wheel” in a number of areas. It would surely be more efficient for government entities such as the ATO to be fully involved in and aware of the standard setting process rather than effectively duplicating effort. I am also surprised that ASIC and APRA have not been involved in the deliberations of IT-30. It is interesting to note that this matter was commented on in the Cameron Ralph Report in that it cited as a widely held view within Standards Australia that:

*Withdrawal of large company/govt agency support has reduced the number of available participants*

*Cameron Ralph Report p12*

Another issue of concern is the cost involved in serving on Technical Committees and working Groups already raised above. While I accept that efficient use of technology can reduce these costs it is my view that some face to face meetings are efficient and desirable. My travel bill has been in excess of \$6,000 which is difficult for my small organisation to sustain. While a number of organisations cover the expenses of committee members there are a number that do not. I have already suggested that there be some contribution to the costs of volunteer participation in the process. Is it perhaps time for the government, through Standards Australia, to provide at least basic support for expenses? Such a move has the potential to greatly increase the available pool of expert volunteers.

**c. Appropriate terms for Memoranda of Understanding...**

In the light of my comments above I feel that a strong undertaking from government is appropriate with perhaps more emphasis on participation.

I strongly believe that Standards Australia should maintain its peak body status in the standards development process in Australia. I believe any other approach would prejudice Australia’s position in ISO and that, given our population and resources, the argument for further fragmentation of the standards development process is not sustainable.

I believe that my comments above are also relevant to item (d).

There are imperfections in the processes of Standards Australia. It is my impression that many of these are being addressed, albeit slowly. I do not think that too much government involvement is an issue. I am of the opinion that there are areas where more government involvement and support is essential.

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I have gained a great deal from my involvement and, hopefully, will continue in my role in Standards Australia for some time.

Thank you for the opportunity to comment.

John Graham  
20<sup>th</sup> April, 2006