



## **JOINT ACCREDITATION SYSTEM OF AUSTRALIA AND NEW ZEALAND (JAS-ANZ)**

### **Submission to Productivity Commission (PC) Review of Australian Government's relationship with Standards Australia Limited and the National Association of Testing Authorities (NATA), Australia**

#### **General Comments**

##### **Use of the word "Accreditation" in the Issues Paper**

As a general comment, the issue of what is "accreditation" and who provides this service in Australia needs to be clarified. The PC Circular and attached terms of reference clearly refers to the role of NATA as providing "laboratory accreditation" services to testing and calibration facilities. The PC Issue Paper inappropriately shortens this on a number of occasions to "accreditation". It has to be recognised that "accreditation" and "laboratory accreditation" are terms that are clearly defined internationally via the International Organization for Standardization's CASCO Committee. Internationally, regionally and nationally it is recognised that NATA is an Accreditation Body providing accreditation of laboratories and JAS-ANZ is an Accreditation Body, providing accreditation of conformity assessment bodies (CAB's) providing management systems, product, personnel certification and inspection services.

#### **Responses to Broad Questions**

##### ***Has export activity and access to imports been sufficiently supported by Australia's current standards and conformance infrastructure? If not, what reforms are required to facilitate trading opportunities?***

When considering the Standards and Conformance Technical Infrastructure (S & C TI), in addition to Standards Australia and NATA the other principle members, viz the National Measurement Institute (NMI) and JAS-ANZ, need to be included. Also the role of 3<sup>rd</sup> party CABs have to be considered as elements of the S & C TI.

The S&C TI has been structured to comply with international best practice. Exported product, deemed to be compliant with the imported countries requirements through the correct use of the S&CTI, should have no impediment to the acceptance of the product in that market.

The S&CTI is being used more and more in the regulated sectors both nationally and internationally; through the S&C TI bodies on the international scene and through the multilateral agreements to which they are signatories to.

- The Australian S & C TI functions very well, and coordination between the bodies is adequate, improvement is always welcome.

***Do the current standards setting and accreditation arrangements and processes best serve Australia's public interest and are they appropriate to meet future domestic and international challenges including the increasing globalisation of markets?***

The current standards setting and accreditation arrangements nationally and internationally do serve Australia's interest and is aligned to international best practise. This is seen as a positive contribution to the national interest for domestic and international trade.

***In what ways do the standards and conformance infrastructure reduce and/or impose transactions costs on businesses and consumers?***

Standards and conformity assessment does come at a cost and organizations are becoming more and more aware of the associated overheads. Costs could be reduced if a risk based approach to conformity assessment were used.

Appropriately applied, internationally recognised standards and accredited conformity assessment enhance the value of products and services.

***Is there sufficient national uniformity in standard setting and accreditation processes?***

There is a plethora of State and Federal Government agencies accrediting certification, inspection and testing activities. Some strengthening of the roles JAS-ANZ and NATA can play in accrediting government certification, inspection and testing arrangements is possible.

***What impacts do current arrangements have on:***

- ***Competition, innovation and international trade;***
- ***The quality, safety and performance of products, materials and related services; and***
- ***Public health, safety and environmental protection?***

The rules that underpin standards and conformity assessment and accreditation are international and supportive of international trade. However the plethora of standards and accreditation type arrangements for regulatory purposes put in place by governments, mostly by State and Territory Governments, do not always support the objectives outlined in the above question posed in the PC Issues paper.

***How much progress has been made internationally with mutual recognition of standards and of conformance assessment across countries?***

There is substantial coverage of mutual recognition arrangements in the conformity assessment area through

- JAS-ANZ being a signature of the Multilateral Recognition Arrangements (MLAs) of the International Accreditation Forum (IAF) and the Pacific Accreditation Cooperation (PAC), and
- NATA being a signature of the Mutual Recognition Arrangements of the International Laboratory Accreditation Cooperation (ILAC) and the Asia Pacific Laboratory Accreditation Cooperation (APLAC).
- Standards Australia are regarded and respected internationally which is evident in the number of mutual recognition arrangements and their contribution to international standards setting.

**Comments on the questions raised under each of the four specific areas for analysis**

**(a) The efficiency and effectiveness of standards setting and laboratory accreditation services in Australia**

Greater all of government coordination is needed to ensure that the members of the standards and conformance infrastructure play an active role in the government's international obligations to the WTO and similar international treaties.

All the members of the infrastructure rely on the activities of each other and a mechanism should be developed to ensure that there is greater promotional activities and awareness of the benefits of the infrastructure to Australia's industry and consumer groups.

In looking at the governance structures and processes of accreditation bodies, the review should be cognisant of the obligations of accreditation bodies under international multilateral and bilateral arrangements. Accreditation bodies are required to meet the requirements of ISO/IEC 17011 in order to maintain signatory status of various regional and international mutual recognition arrangements . It is paramount that these arrangements be maintained.

**(b) The appropriate Role of the Australia Government**

The Australia Government is a major stakeholder covering issues such as national interest, community health and safety, national security and regional and international trade and welfare issues. Governments are also major users of both standards, accreditation and conformity assessment services in their operations as well as in their role as regulators.

There are examples where the State and Federal Governments are not utilising the established S&C TI and thereby creating parallel systems and as a consequence additional costs to industry and consumers.

**(c) Appropriate terms for Memoranda of Understanding (MoU) between the Australia Government and Standards Australian and NATA**

**Details of the MoU no comment.**

The Australian Government should continue to recognise Standards Australia and NATA as the peak bodies for standards writing and laboratory accreditation respectively. On the condition that all national and international mutual recognition arrangements continue to be maintained with new arrangements developed as appropriate in the interests of Australia's national and international trade

**(d) Appropriate means of funding the activities of Standards Australian and NATA which are deemed to be in the national interest**

The involvement of standards and conformity assessment infrastructure bodies in international fora has numerous benefits to Australian industry and consumers.

A transparent criterion should be established for funding of national interest activities where there is a proven benefit to Australian industry and/or consumers.

## **Additional Issues**

A number of questions under this heading refer generally to 'accreditation'. It is assumed that "accreditation" in these questions relate to "laboratory accreditation" as other forms of accreditation are provided by JAS-ANZ.

There is no doubt that there is number of Australian accreditation arrangements that act as trade barriers, especially government arrangements that do not use the internationally recognised services of Standards Australia, NATA and JAS-ANZ.

### Overseas Models

There are various models to review; varying from high degree of Government ownership of accreditation bodies (Europe) to private ownership of accreditation bodies in the USA. The question of the balance between government and private sector involvement in accreditation could be the subject of another review in itself.