

AFRDI Submission to Treasury – Consultation RIS December 2021 – mandatory standards regulation

The Australasian Research and Development Institute (AFRDI) is a not-for-profit business and has been in operation since 1989.

AFRDI tests and certifies furniture items against various Australian, International and AFRDI standards. AFRDI's registered Blue Tick, Orange Tick and Green Tick logos are well recognised in the market place.

Not only does AFRDI research and develop its own industry standards but it also is a significant contributor (both time and knowledge) to the Standards Australia Furniture Technical Committee and 2 staff currently represent Standards Australia on the ISO Furniture Technical Committees.

In 2016 the ACCC were considering referencing overseas standards for product safety standards

AFRDI raised this matter at a Standards Australia forum and the following is their response.

- *Standards Australia (SA) is aware of industry concerns on this initiative. SA will be responding to the ACCC's consultation paper by promoting the good use of all Standards including international standards. SA does not agree with the concept of picking 'a winner', that is nominating specific overseas national standards bodies as acceptable and propose to discuss this with Treasury, the DIIS and ACCC.*

AFRDI's view is that Australian Standards (AS) should be used (many prepared with special considerations of the local requirements) unless they are seriously out of date. Where no AS exists then deferring to national standards such as ISO, BS, EN, BIFMA, ASTM, JS etc should be the approach.

The selection of overseas standards making bodies

What criteria is to be used to select such bodies? Is it the body or the content of the standard that is trusted, or both?

How do you get on the list – do you apply or are you just selected? If selected, how are disgruntled overseas bodies (who may feel second class) dealt with?

If selected, who makes that decision, is it a specially constituted expert reference panel or Government staff?

Just because it is a trusted overseas body does not necessarily mean a standard is relevant or good.

AFRDI is not in favour of using overseas standards where an Australian Standard exists.

Overseas Standards review

When overseas standards are reviewed which party will be responsible for ensuring that the parts of the review or update are still relevant for Australia?

Overseas jurisdictions tend to update standards frequently. So, instead of just keeping track of movements in Australian Standards, the list will increase and consequently the workload for ACCC/Treasury to review the relevancy of the updates.

Some specific comments on Bunk Beds which is often mentioned in the RIS

AFRDI agrees that it can be a time consuming task to update the Mandatory Standard. However, on more than one occasion AFRDI has raised the need for a review including that we offered our services to assist in a review of the CPN or even prepare a draft– this was not taken up.

The current bunk CPN is a very abbreviated version of elements of an old version of the Australian Standard. Movement away from a CPN to a full standard (Australian or international) will add substantially to the unit cost. A revised CPN based on the voluntary Australian Standard is favoured by AFRDI.

AFRDI is aware that there are opposing clauses between the Australian Standard and some overseas standards e.g. the height of the first rung of the ladder is high in AS but low in EN, means a product can pass one standard but fail the other, this is far from ideal!

If a decision is made to accept an overseas standard, is every clause of the overseas standard going to be compared with an existing Australian Standard?

Point of Sale

Realistically, consumers will be confused at point of sale if the item has been assessed against an overseas standard but the consumer knows there is an AS. It would be preferable to be able to say this has been tested to an overseas standard because there is no AS. Consumers are becoming more discerning and may feel the former position is just a ploy to get a sale!

Option

AFRDI preference is OPTION 1 Status Quo.

This would ensure only products that meet the Australian requirements are mandated, except in cases where there is no Australian Standard which would then defer to an international standard.

Australia are not then picking winners from overseas jurisdictions but referring to the well-respected Australian Standards.

It does not necessarily mean that duplicate testing is required as some suppliers seek to meet only Australian and not overseas local (place of manufacture) requirements.

We do not agree that the cost of standards is a factor. \$127 for the bunk standard is the cost of doing business, and standards are alive for some years. Some suppliers do not bother obtaining standards rather deferring to the testing bodies to provide appropriate advice.

If overseas standards are included as alternatives, testing house accreditation costs to cover these additions will increase which will need to be passed on to clients.

We are available should Treasury wish to discuss any elements of our comments.

Prepared by

Ian Burton - General Manager AFRDI

and

Bob Panitzki - Business Development Manager AFRDI and Chair Standards Australia Furniture Technical Committee CS-088

21 January 2022