17 July 2020

Phil Khoury

Principal
cameron. ralph. khoury

By email: sa\_cgr@crkhoury.com

Dear Phil

**RE: Standards Australia Company Governance Review Consultation Paper**

Thank you for providing ACCAN with the opportunity to offer feedback on the Standards Australia Corporate Governance Review.

ACCAN is the peak body that represents all consumers on communications issues including telecommunications, broadband and emerging new services. ACCAN provides a strong unified voice to industry and government as consumers work towards communications services that are trusted, inclusive and available for all. ACCAN previously provided comments on Standards Australia’s Licensing and Distribution Policy Framework and advocated for more equitable consumer access to Australian Standards.

Our response to the Corporate Governance Review Consultation Paper will focus on the issues of most relevance to Australian consumers of phone and internet services: that is, that consumers are adequately represented and supported to participate in Standards Australia’s governance system.

Consumer representation and input into the strategic direction of Standards Australia is essential to preserving its public interest status. The very purpose of Australian Standards is to make sure that a diverse range of products, services, and systems are safe, consistent, and reliable for the consumers that access them. With only two consumer organisations as members and decreasing funding for consumer representation on standards committees via the Consumers’ Federation of Australia (CFA), Standards Australia must focus on strengthening the voice of consumers in its strategic direction and corporate governance. A stronger consumer voice at Standards Australia will ensure that there is more balance between supply and demand sides of representation. In turn, this will

increase the relevance of Australian Standards to the community, and support Standards Australia’s sustainability into the future. The stakeholder engagement and gap analysis models proposed in the consultation paper suitably express Standards Australia’s current stakeholder base and opportunities for improvement therein. We propose four recommendations to ensure that Standards Australia’s governance system more effectively incorporates consumers’ voices. These are detailed below.

## The Board should include one position for a Director with consumer experience

All Australian Standards affect the Australian general public. Many standards are directly related to issues consumers care about deeply, like product safety, public health, or natural disasters. To maintain its public interest status, the Board of Standards Australia must reflect the diversity of its stakeholders and draw from a diverse range of skills and experience. It is for these reasons that we advocate that Standards Australia’s Constitution be updated to mandate one Director position is filled by a person with experience in consumer issues or representation.

If not filled through election, this could be a vacancy filled through application of the existing co-options arrangements in the Constitution.

## Standards Australia’s Membership should be adjusted to support consumer participation

Over the past ten years, several new consumer organisations have been formed in Australia including Superannuation Consumers Australia, Energy Consumers Australia and Consumer Policy Research Centre in Victoria. There are also many peak community sector organisations representing consumers already involved in standards who should be Standards Australia members. However, only two out of Standards Australia’s 75 member organisations represent consumer interests, which is very disappointing. This is reflected in the under-representation of consumer perspectives on issues to do with standardisation and in Standards Australia’s strategic direction. ACCAN strongly encourages Standards Australia to expand its consumer organisational membership through active recruitment of consumer organisations and through removing any formal barriers to membership.

We urge Standards Australia to:

* Increase or remove the maximum number of consumer organisation members. This limit currently sits at five organisations, compared to the limit of 80 organisations representing industry.
* Actively recruit consumer organisations to become members of and Nominating Organisations for Standards Australia. Standardisation areas where consumer organisations’ expertise could be leveraged include: energy; climate change; digital platforms; and issues affecting people with disability, older Australians, and Aboriginal and Torres Strait Islander consumers.

It is essential that there is an equal spread of constituents amongst Standards Australia’s membership and that these constituents are supported to participate at every level of Standards Australia’s governance. ACCAN believes a better-balanced governance system could deliver wider standards awareness and increased interest in committee membership.

ACCAN recognises that a restrictive membership system is not the sole explanation for a historical lack of engagement with consumer organisations. It is important that Standards Australia takes steps

to inform and educate consumers and consumer organisations about the importance of standardisation, and promotes standards awareness among these groups. Without an understanding of the standardisation process and why it is important, it will be difficult to attract and retain consumer engagement. Consumer organisations’ capacity to be involved in issues of standardisation is also curtailed by resource constraints, which will be discussed below.

## Standards Australia should commit adequate funding to consumer representation

ACCAN commends Standards Australia for its commitment to resourcing consumer representation on standards committees through the CFA Standards Project. This funding supports consumer voices in Standards Australia’s governance and strategic direction. We note that in recent years, funding for the CFA Standards Project has been decreasing, contributing to significant operational constraints. Funding for consumer representation on standards committees must continue at a level appropriate to the needs of those committees. Should Standards Australia welcome more consumer organisations as Members and Nominating Organisations, it should consider expanding its consumer representation resourcing proportionately.

## Some improvements to transparency should be put in place

There are a number of areas where Standards Australia could improve transparency in its governance, for example:

* The process for becoming an organisational member,
* The names of Councillors and the organisations they represent,
* The process for electing representations to Board committees.

Transparency improvements give Standards Australia’s Membership confidence in its decision-making and its representativeness.

## Other comments

Standards Australia’s Constitution document is inaccessible to people who use screen readers, as it is a scanned hard copy document rather than a tagged PDF or Word document. Given that so many Australian Standards pertain to products, services and systems relevant to people with disability, this is disappointing. We stress the importance of providing appropriate supports to people with disability who interact with Standards Australia. This includes providing Auslan interpreters, closed captioning, and audio description where needed, and ensuring all documents are accessible to people using screen readers.

ACCAN also wishes to highlight its concern that apart from ACCAN and CHOICE, consumer organisations have not been invited to consult with this current review process because they are not member of Standards Australia. At the very least, we would strongly urge Standards Australia extends membership to CFA without delay.

ACCAN thanks Standards Australia once more for welcoming feedback through its Corporate Governance Review. If you would like to discuss our position further, please get in touch at Rebekah.Sarkoezy@accan.org.au or on (02) 9288 400.

Sincerely

Rebekah Sarkoezy
Policy Officer