



Response to Discussion Paper: Distribution and Licensing Policy Framework

Submission by the Australian Communications Consumer Action
Network to Standards Australia

29 July 2019

About ACCAN

The Australian Communications Consumer Action Network (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.

Consumers need ACCAN to promote better consumer protection outcomes ensuring speedy responses to complaints and issues. ACCAN aims to empower consumers so that they are well informed and can make good choices about products and services. As a peak body, ACCAN will represent the views of its broad and diverse membership base to policy makers, government and industry to get better outcomes for all communications consumers.

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1. Introductory comments

ACCAN thanks Standards Australia (hereafter SA) for the opportunity to comment on *Discussion Paper: Distribution and Licensing Policy Framework*.

ACCAN recognises SA's standards as valuable tools that safeguard consumers and embed best practice in industry operations. We support SA's review of its distribution and licensing, and welcome measures that improve the accessibility and use of standards across stakeholder groups. We support a standards licensing and distribution framework that delivers standards that are high quality, accessible and affordable.

The standards environment is an exceptionally complex one, encompassing:

- Standards developed by SA, state/territory and international standards bodies
- Content that covers a plethora of technical, product safety and other standards
- Consumers ranging from individuals, large companies, educational institutions and small businesses.

ACCAN understands that only a third of SA's income last financial year was revenue earned from standards.¹ Despite this, the purchase price of standards is extremely high. The cost of a Standard is not based on real delivery costs, but on an antiquated equation designed to maximise the distributor's profits.² SA must consider ways to deliver value for money and improved access for consumers in order to secure its financial sustainability and relevance.

General feedback

ACCAN supports SA's efforts to re-invigorate its licensing and distribution activities. We commend SA for recognising the public benefit associated with standards. We also commend that SA is measuring the appropriateness of standards distribution models in terms of improved access and use, rather than financial sustainability alone.

However, more attention must be given to improving the accessibility of standards. Here we define accessibility as the extent to which all consumers can procure, understand and apply standards. This includes accommodating the access needs of consumers with disability, and removing cost barriers to access for consumers and organisations with financial constraints. SA's Memorandum of Understanding (MOU) with the Commonwealth Government in late 2018 states that SA will 'take all reasonable action to ensure fair and equitable access to Australian Standards for all users'.³ SA will work towards 'options ... to facilitate forms of public access' to Australian Standards. Work needs to be done to ensure SA meets these commitments.

¹ Standards Australia 2019, [Financial report 2018](#), p. 42

² Clarke, D 2019, [Australian Standards: The Unfair Exchange](#)

³ Department of Industries, Innovation and Science 2018, [Memorandum of Understanding between the Commonwealth of Australia and Standards Australia](#), p. 11

Our responses to questions C and J detail our suggestions for improving the affordability of standards. Responses to questions C, H, L, and M suggest non-price mechanisms to improve the accessibility of standards, including ways to better accommodate people with disability and NGOs that refer to standards.

Proposed distribution framework

Table 1 features ACCAN's suggested standards distribution framework. This approach reflects feedback from the Consumers Federation of Australia (CFA). We propose three access categories dependent on the type of standard and the consumer wishing to purchase it. Consumers can qualify for:

- Standards at no cost to them, where standards distribution costs are subsidised by the government or another party,
- Standards at a concessional price,
- Standards at a generic list price, with discounts for bulk purchasing, subscription or excerpts.

We emphasise that reducing or eliminating costs for consumers opens up access to the standards market. An increase in the use of standards offsets profit losses from lower standards prices. We note that less than 5% of standards generate more than 95% of SA's income derived from standards. Opening up access across voluntary and Regulated Standards should not drastically impact SA's financial sustainability.

Our response to SA's Discussion Paper

This submission provides responses to questions in the following areas:

- Standards Australia's broad objectives
- Ways to improve the accessibility of standards
- Ways to maximise consumer benefit

Our responses are predominantly concerned with distribution. We are confident that other expert stakeholders will adequately address questions to do with licensing, innovation and partnerships with third parties.

Table 1: Proposed Standards Distribution and Pricing Framework

Proposed Standards Distribution and Pricing Framework		
1. No cost to the consumer <i>The cost of access to standards is subsidised.</i>	2. Consumer pays a concessional price <i>Eligible consumers purchase standards at a concessional rate.</i>	3. Consumer pays a list price <i>Discounts are available on certain types of purchases.</i>
<p>Regulated Standards Standards that are regulated or referred to in legislation are free to all consumers via the SA webstore. The government subsidises distribution costs via SA.</p> <p>Students Students access standards relevant to their studies for free online via the license purchased by their educational provider, similar to accessing an online journal article.</p> <p>Accessibility standards Standards to do with accessibility or communications technology for people with disability are available at no cost to NGOs and Disabled People’s Organisations (DPOs). Access costs are subsidised by the government via SA.</p> <p>Libraries Public access to Australian Standards is available online via National, State and Public libraries.</p>	<p>NGOs are eligible to purchase voluntary standards at a concessional rate. The purchase price is proportionate to the revenue of the NGO, for example:</p> <ul style="list-style-type: none"> • 50% off list price for small NGOs (annual revenue less than \$250,000), • 40% off list price for medium NGOs (annual revenue over \$250,000 but under \$1 million), • 30% off list price for large NGOs (annual revenue of \$1 million or more). <p>Many service providers and businesses recognise the benefits and resource constraints of not-for-profits, and grant discounts on essential services and products.</p>	<p>Consumers have the flexibility to choose the purchasing option that suits their needs.</p> <p>Excerpts Consumers can purchase or ‘rent’ an excerpt for a proportional price. This is similar to purchasing or ‘hiring’ a chapter of a book or journal via an online academic database.</p> <p>Subscriptions and suites Consumers can subscribe to a suite of related standards on a periodic basis at a discounted rate. Consumers purchasing standards in bulk or by suite are eligible for a discount.</p> <p>Innovative products Consumers can purchase access to innovative or non-traditional standards products at a cost lower than the typical standard format.</p>

2. Responses to questions

A. Do you agree with Standards Australia's broad objectives?

Yes, ACCAN supports all three of SA's objectives outlined in the discussion paper. We feel the objectives reflect the realities and needs of the current standards environment outlined in our introductory comments.

B. Are there other broad objectives that should be considered by SA's Board?

There should be greater emphasis on the role that accessibility plays in achieving SA's objectives. Greater content reach, wider use and financial sustainability of standards are each linked to the accessibility of standards.

We support the introduction of additional objectives to support SA in delivering on their MOU with the government. SA should adopt the following objectives proposed by CFA, that SA will:

1. Adopt an operating model that ensures the long-term financial sustainability with due consideration to the purchase price, availability, information quality and the range of different stakeholders.
2. Ensure that all Australians are aware of the value of standards and their importance to everyday life.

C. Do you support a non-exclusive model for the distribution of standards content in Australia?

ACCAN supports a non-exclusive model of standards distribution. The non-exclusive model allows for innovating and experimenting with modes of content delivery. It facilitates consumer choice and encourages distributors to be agile and responsive to the needs of a broad range of consumers.

However, we stress that too much choice, or choice communicated poorly, is detrimental to consumers, distributors and SA. We are concerned that a high volume of standards available from multiple distributors in multiple media types will confuse standards users. This risks creating consumer frustration and may reduce consumer interest in procuring standards. There is an additional risk that if users are confused by poorly communicated standards, this may reduce trust in standards and negatively impact the reputation of SA.

ACCAN emphasises the need for **manageable choice**. We support the CFA's proposal that SA is the primary distributor, or 'one-stop-shop', for standards. Third parties can develop innovative products and tools to assist in the use and understanding of standards, but should not act as a primary source for standards.

D. What criteria do you think should be applied to the selection of distribution partners?

Standards Australia should ensure that all third-party innovators and distribution partners have the capacity to develop and distribute standards and additional materials in formats accessible to people with disability. Materials must be available:

- in Microsoft Word or tagged PDF
- in Braille
- (if in video format) with audio-description, AUSLAN interpretation and closed-captioning.

We also support the development of Easy English guides so that consumers from culturally and linguistically diverse communities can access and interpret standards.

E. How can SA encourage competition in the distribution of current standards products?

Not applicable.

F. How do we encourage new innovators to engage with standards content to deliver new solutions and customer offerings?

Not applicable.

G. How do we select innovative partners?

Not applicable.

H. How do we ensure third party developed innovative products are good quality and fit for purpose?

Standards are not fit for purpose if they are not accessible to end users. See our responses to question C, D and J for more information about ensuring that standards are accessible.

ACCAN supports the implementation of strict quality assurance measures to ensure products are high quality and fit for purpose. SA should take steps to ensure that additional standards-related materials or innovative standards products are **approved by the relevant Committee** that oversees the Standard, wherever possible. This is vital to ensure that essential detail and critical information communicated in the Standard are not 'lost in translation'. Firm timeframes should attach to the approval process to minimise delays in publication.

I. How do we ensure we strike the right balance between facilitating innovation by third parties and maintaining the financial sustainability of Standards Australia?

Not applicable.

J. How can SA ensure that distribution activities do not negatively impact its public benefit role in standards development?

Australian standards are cost-prohibitive. Individual consumers, small businesses and not-for-profit organisations are priced out of the standards market, and this is disadvantageous both to the consumer and to SA. This environment creates the following negative outcomes, which impact the financial sustainability of SA:

- Voluntary standards have low uptake.
- There is incentive for standards to be pirated, potentially disseminating incomplete or out of date information.
- Regulated Standards are ignored altogether, at serious detriment to users and the public.

We understand SA does not enforce standards compliance. However, SA should use any means possible to ensure standards are accessible to minimise public harm and maximise public benefit.

Table 1 outlines our proposal to reduce the purchase price of standards for general consumers. We emphasise that lower prices and subsidies open up access to the standards market, delivering broader use of standards and improved financial sustainability for SA.

ACCAN has particular interest in this issue due to the fact that we are a not-for-profit peak body. Like many other NGOs, ACCAN generates submissions to many reviews on technical and regulatory issues. The purpose of this is to advocate in the public's interest. However, ACCAN is currently priced out of the standards market. Better access to standards through a concessional pricing mechanism would support our submission development and enhance the impact of policy positions.

K. How should SA implement the required commercial confidentiality for distribution arrangements within the context of transparency in the rest of the business?

Not applicable.

L. How can Regulated Standards be made more accessible to the end user while maintaining the financial sustainability of the standards ecosystem?

As outlined in our proposed distribution and pricing framework in Table 1, Regulated Standards must be freely accessible to the public. SA should actively deliver on Section 8.32.4 of their MOU with the Government, which states that SA will work towards providing:

‘Options ... to facilitate forms of public access to Australian Standards, particularly where referenced in regulation ...’

We understand that SA must preserve its financial sustainability, and that standards development and distribution incurs unavoidable costs. This is why we propose that the government subsidies the full cost of distributing Regulated Standards. If individuals and organisations are expected to comply with Regulated Standards, they must be able to freely access them.

See our response to question J for more information on concessional access for NGOs.

M. How can access beyond existing channels be made easier for user groups like TAFE and university students?

Wider use of standards by students at TAFE or university facilitates brand familiarity with and trust in standards. This can increase the use of standards in technical and other fields, and is an investment in SA’s financial sustainability.

We recommend that:

- Students access standards for free on their personal devices via their educational provider’s licence,
- SA mirrors content delivery models implemented by academic publishers to ensure that students can access standards according to their needs.

For example, students could download sections of a standard via an online portal, or ‘check out’ the entire standard for a period of time, similar to accessing a chapter of an academic book or journal article. Free access to standards via libraries online or in person also ensures SA can meet students’ access needs.

N. How can useful information be better provided to the public regarding Consumer Interest Standards?

ACCAN supports the development of non-traditional products by third party innovators to strengthen general consumers' understanding of standards, especially those regarding product safety or other public interest issues. As mentioned in our response to question H above, we recommend that any third-party content is approved by the relevant Committee that oversees the Standard. This could be through:

- Formal approval granted by the Committee,
- Informal involvement in the development of the material.

This is so that essential detail is not lost in the creation of non-traditional standards material, and so that SA retains a key role in developing this material.

SA should consider developing, or ensure that third parties can develop Easy English resources to accompany Consumer Interest Standards. This must be in addition to any other efforts made to ensure standards are accessible to end users.

O. Do you have a view on what types of partners SA could work with in providing better information to the public regarding Consumer Interest Standards

Not applicable.