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Submission on Reforms to Improve Use and Recognition of Standards in Regulation

Please find below a submission by Cement Concrete and Aggregates Australia (CCA) on National Competition Policy Reforms to Improve the Use and Recognition of Standards in Regulation.

CCA is the voice of the heavy construction materials industry in Australia. CCA members produce most of Australia's cement, concrete, and aggregates, which are crucial to Australia's building and construction sectors.

These materials support the development of our nation's transport, energy, water, housing, defence, and social infrastructure. The industry generates approximately \$15 Billion in annual revenues and employs approximately 30,000 Australians directly and a further 80,000 indirectly.

Summary Responses to Consultation Questions

1. Do the Guidelines help policymakers adopt suitable standards?

Yes. CCA considers the Guidelines a sound framework. However, clearer prioritisation of performance-based Australian Standards would further support suitability and innovation.

2. Do the Guidelines help governments harmonise standards?

Partially. Harmonisation is supported, but more robust guidance on performance-based and nature-related standards would improve consistency and productivity.

3. What other principles should be included?

The Guidelines should require use of performance-based criteria as the default position unless clearly unsuitable—mirroring the structure of the Handbook.

Recommendations

- 1. That the Guidelines and Handbook should recommend that where Standards are to be contained in regulation, performance based Australian Standards should be preferred.**
- 2. That governments and commercial entities should work within the Standards Australia framework to shift from prescriptive to performance-based specifications. This will enable innovation and maximise resource utilisation and should be a priority in the national competition policy revitalisation process.**

3. That the Guidelines should be amended so they reflect the structure of the Handbook, which implies that performance-based standards should be used in regulation, and that meeting this requirement becomes a criterion for jurisdictions to receive the full amount of funding from the National Productivity Fund, as explained on page 7 of the Consultation Paper.
4. That Governments should adopt ambulatory referencing only with transparent, consultative oversight mechanisms to avoid unintended regulatory consequences.
5. That governments should prioritise the development and alignment of nature-related standards—such as those relating to biodiversity, land use, and ecosystem services—within the Standards Australia framework.

CCAA welcomes the opportunity to comment on the National Competition Policy *Lowering Barriers to the Adoption of International and Overseas standards in regulation* (**the Consultation Paper**).

In particular, CCAA responds to the request for input on how both the Competition Reform Guidelines (**the Guidelines**) and Best Practice Handbook (**the Handbook**) can facilitate the adoption of standards (particularly international standards) in jurisdictional and national regulatory instruments as part of the revitalisation of national competition policy.

Australia's heavy construction materials industry, including cement manufacturers and concrete producers, operate throughout Australia and across all jurisdictions.

As such, harmonisation across all jurisdictions is important and has the potential to improve productivity across several areas – including regulated standards. For example, there is currently a disparity between national as well as state/territory approaches to emissions reduction and target setting – which leads to differing levels and types of legislation/ regulation depending on the level of ambition of the jurisdiction.

This in turn has the potential to flow through to standards and specifications, which in many cases are not aligned. This misalignment is also becoming more pronounced in relation to nature-related regulation. This point is discussed later in this submission.

Minimising the regulatory burden and working to improve the alignment of standards and specifications should be a key goal of all jurisdictions.

The adoption of international standards

International Standards are essentially frameworks that describe the best ways of doing things and facilitate a common understanding of processes, procedures and methodologies.

CCAA recognises Australia's obligations under the World Trade Organisation Agreement on Technical Barriers to Trade and supports reforms that uphold these obligations by promoting alignment with international standards—provided they are suitable for Australian conditions and regulatory objectives.

Overseas standards may be technically sound, but they are developed in different legal, environmental, and policy contexts.

In this context, it is useful to examine the role of Standards Australia - the national standards body of Australia. It is a not-for-profit, non-government organisation recognised by the Australian Government as the country's representative on international standards bodies.

Standards Australia's system relies on contributions from over 6,500 committee members and hundreds of nominating organisations, which includes CCAA and its members. These experts ensure that standards are fit-for-purpose, reflect Australian conditions, and are aligned with regulatory as well as industry needs.

Standards adopting best practices from other jurisdictions, such as the US and Europe, should be encouraged so the best ideas from around the world can be adopted in Australia.

Standards Australia is the national member body at both the International Standards Organisation (ISO) and the International Electrotechnical Commission (IEC).

As such, Standards Australia already has the option to participate or observe on international technical committees, sub-committees, project committees and systems committees, with Australian committees acting as 'mirror committees' to their international equivalents, such that Australian standards can reflect, as appropriate, work developed internationally.

We also note that, absent a legislative requirement, there is nothing that stops a company from adopting an international standard where, in its opinion, there is commercial benefit.

CCAA recognises international standards can be of value when developing Australian Standards. However, Australia's well established technical expertise should be relied upon to ensure that local standards are fit-for-purpose, reflect Australian conditions, and are aligned with regulatory and industry needs.

Recommendation 1

That the Guidelines and Handbook should recommend that where standards are to be contained in regulation, performance based Australian Standards should be preferred.

To support this outcome, governments should support the review of Australian Standards so that they continue to support performance-based outcomes.

One such Standard that should be reviewed as a matter of priority is AS 3972-2010 *General Purpose and Blended Cements*.

In the context of moving towards performance-based specifications and away from prescriptive compositions, the standard should be reviewed to support increased flexibility in mineral addition and developing availability of new and manufactured pozzolans.

Allowing for the greater uptake of higher limestone additions and other supplementary cementitious materials (SCMs), such as lithium slags, metakaolin, silica fume and other manufactured and emerging manufactured pozzolans, would facilitate the adoption of new, lower carbon cement types

If implemented, the change would encourage significant reductions in the embodied carbon in concrete and so support the Government and Industry's Net Zero objectives.

Recommendation 2

That governments and commercial entities should work within the Standards Australia framework to shift from prescriptive to performance-based specifications. This will enable innovation and maximise resource utilisation and should be a priority in the national competition policy revitalisation process.

Overuse of prescriptive outcomes

Overly prescriptive specifications and restrictive material requirements are creating barriers to industry innovation and decarbonisation as well as contributing to the increasing cost of infrastructure.

CCAA particularly recognises:

- Paragraph 1h(iii) of the Guidelines, which requires performance criteria where possible and prescriptive criteria only where necessary to achieve a regulatory objective; and
- Tool 8 of the Handbook, which provides that policymakers should preference the use of performance-based criteria if it is unable to address a policy objective or mitigate a particular harm.

There is a subtle difference in wording between the two documents.

The structure of the Handbook, which implies that performance-based standards **should** be used in regulation unless an outcome **cannot** be met through their use, is preferable to the structure of the Guidelines, which suggest performance-based criteria should be used 'where possible'.

In addition to Tool 8, CCAA notes that Tool 6 encourages regular review and sunseting of outdated standards like AS 3972-2010. Tool 7 supports ambulatory referencing, allowing standards to evolve with technology and international best practices.

A note of caution is warranted regarding ambulatory referencing. It is important that any updates to standards are not automatically adopted without undergoing a transparent and robust review process involving public consultation to ensure continued appropriateness and safety.

While ambulatory referencing enables rapid adoption of updated standards, it must not bypass due process. Automatic updates without consultation may embed standards that are inappropriate or unsafe for the Australian context. Transparent review procedures, stakeholder feedback mechanisms, and safeguards should be required wherever ambulatory references are used.

This supports the intent of Tool 7 in the Best Practice Handbook while addressing potential unintended consequences—particularly the risk of adopting standards that have changed without Australian input or assessment.

Recommendation 3

That the Guidelines should be amended so they reflect the structure of the Handbook, which implies that performance-based standards should be used in regulation, and that meeting this requirement becomes a criterion for jurisdictions to receive the full amount of funding from the National Productivity Fund, as explained on page 7 of the Consultation Paper.

Recommendation 4

That Governments should adopt ambulatory referencing only with transparent, consultative oversight mechanisms to avoid unintended regulatory consequences.

Nature-related Regulation

Emerging environmental policies across jurisdictions—covering biodiversity, ecosystem services, waterway protection, and land use—are increasingly being translated into regulatory frameworks and technical standards.

However, inconsistent terminology, measurement approaches, and compliance thresholds between states and territories create uncertainty for industry and hinder investment in nature-positive outcomes. For example, differing requirements for biodiversity offsets or vegetation mapping can significantly affect material sourcing and project design.

Case Example: In New South Wales, biodiversity offset requirements under the Biodiversity Conservation Act 2016 differ significantly from Queensland's Environmental Offsets Act 2014. These differences create barriers to uniform planning processes and infrastructure development. A nationally harmonised biodiversity standard—under Standards Australia—could reduce project delays and uncertainty for resource and construction sectors.

In addition, Federal legislative processes and requirements, increase the regulatory burden with the requirements to obtain multiple approvals resulting in significant extensions to project timelines, additional cost with marginal additional environmental outcomes.

Greater coordination and consistency in nature-related standards would support regulatory clarity, reduce compliance costs, and ensure more effective integration of environmental objectives into built environment outcomes.

Consistent regulatory approaches across jurisdictions will minimise compliance complexity, improve certainty for industry, and reduce delays in planning and project delivery. Harmonised, performance-based nature-related standards will enhance regulatory efficiency while supporting national environmental objectives. Incorporating these standards into a nationally consistent framework will also improve productivity by enabling more predictable and scalable project approvals, particularly in infrastructure and extractive industries, where interactions with natural environments are significant.

Recommendation 5

That governments should prioritise the development and alignment of nature-related standards—such as those relating to biodiversity, land use, and ecosystem services—within the Standards Australia framework.

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Yours sincerely

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