



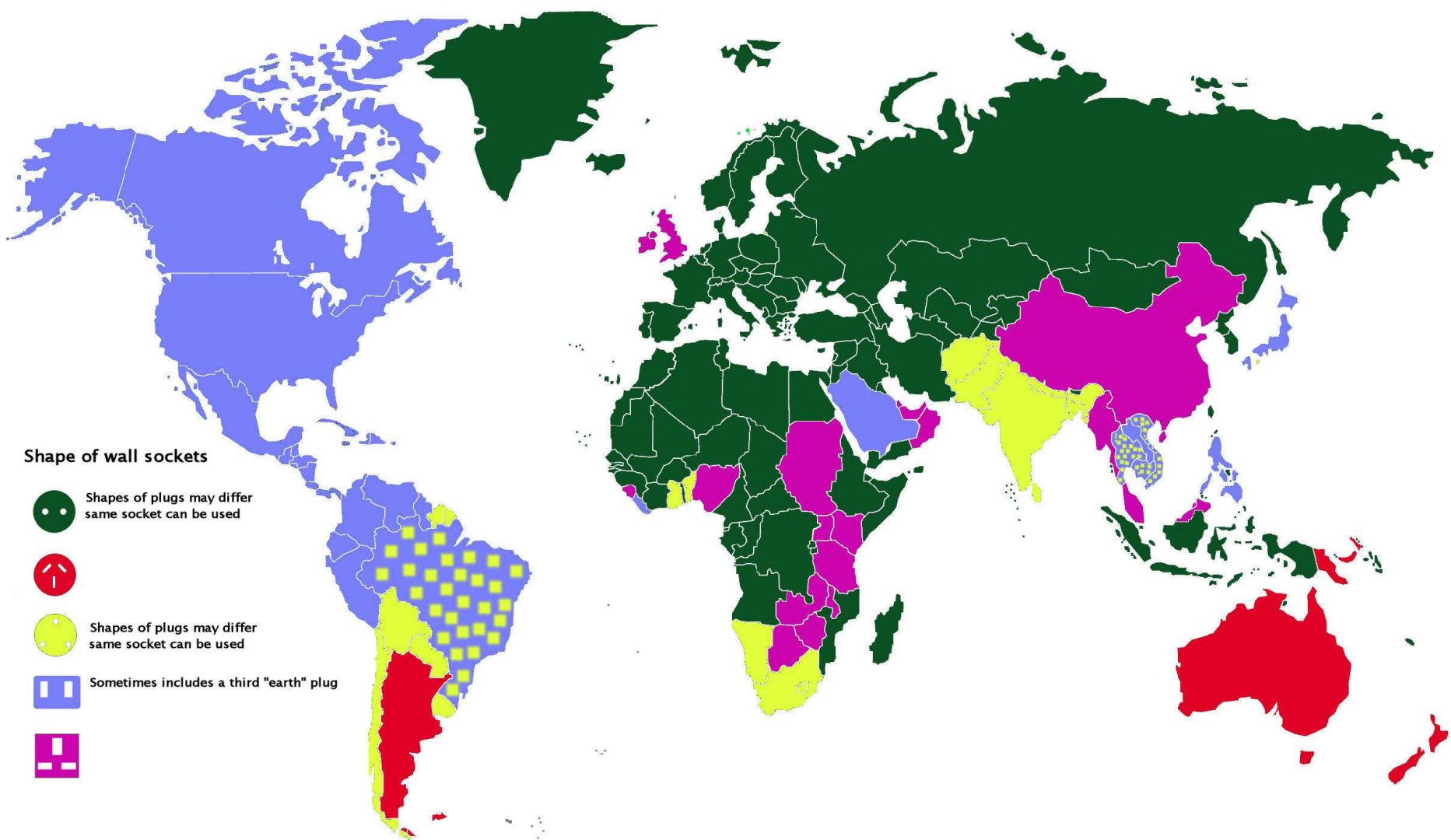
The Value of Standards to New Zealand

Rob Warner
Standards New Zealand




Standards transactions...examples


	PRODUCT	INFRASTRUCTURE	PERSON
PRODUCT	Plug fits the socket	Plug/socket combination is safe for electricity supply	Plug/socket combination is safe for the person using it
INFRASTRUCTURE	Will the electricity supply damage the product	Gas/water/phone & electricity supply interactions	Public & worker safety issues
PERSON	Can the product be used without difficulty or training	Risk of infrastructure by people	All service provision



Shape of wall sockets

 Shapes of plugs may differ
same socket can be used



 Shapes of plugs may differ
same socket can be used



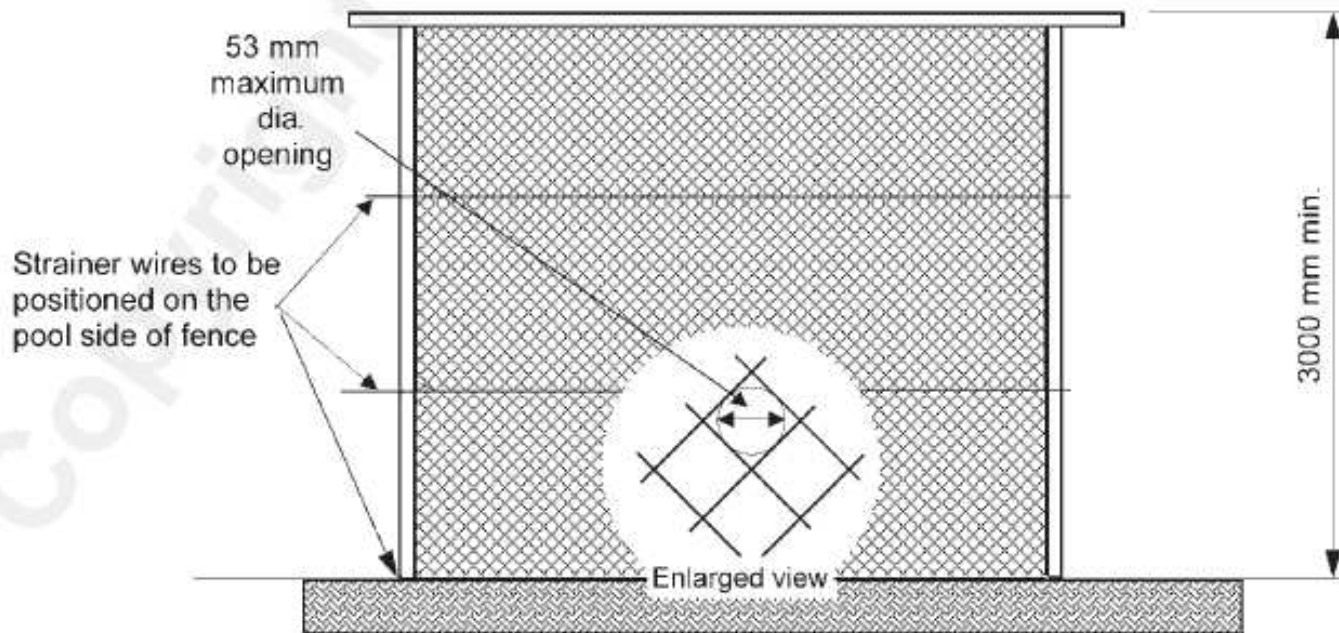
Sometimes includes a third "earth" plug



Fencing of Swimming Pools Act 1987

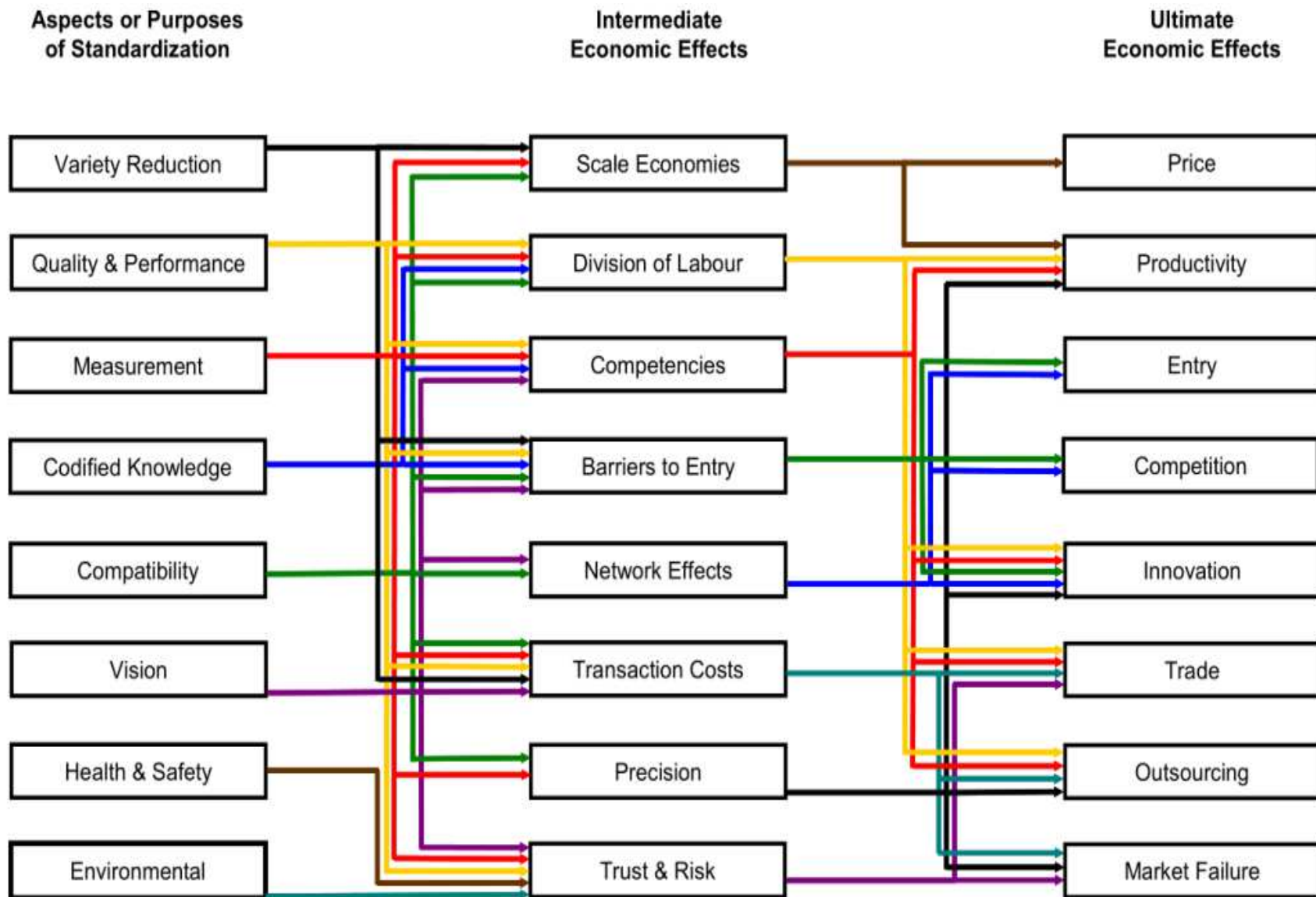
...the pool, or some or all of the immediate pool area including all of the pool, is fenced by a fence that complies with the requirements of the building code...

NZS 8500:2006 *Safety Barriers and Fences Around Swimming Pools, Spas and Hot Tubs*



NOTE – Consideration is to be given to the climbability of adjoining fences, barriers and other objects.

Figure 3.3 – Maximum aperture size on fencing



Swann, G M P. 'The economics of standardization: An update.' Report for the UK Department of Business, Innovation and Skills, May 2010.



Standards

=

GDP

Project brief

- Research aims:
 - * Measure the economic benefits of standards to the New Zealand economy
 - * Obtain comparable measure with other international studies
- Research approach:
 - * Generate an evidence base
 - * Examine benefits - sector and NZ – compare results



What BERL did

- Measured standards activity
 - * Standards catalogue
- Impact of standards on productivity
 - * Econometric analysis
- Economy-wide economic model (CGE)
 - * Link between standards, productivity, and wider economic performance (GDP)

Case studies

- Standards reduce costs, risks, increase quality
- Qualitative not quantitative data
- But rich insight into:
 - * Daily usage
 - * Behaviour and decision-making

Project findings

- Standards
 - * Are a powerful economic lever
 - * Positively impacted on capital and labour productivity (Total Factor Productivity) 1978-2009
 - * 1% increase in standards, 0.1% increase TFP
 - * Consistent with other intl studies
- TFP measures how effectively capital and labour can be combined to produce an output



Macroeconomic potential

Estimated national economic benefits of standardisation are **1%** of gross national product



Source: *Economic Benefits of Standardization* (Germany: 2000)

1% increase in the stock of Standards associated with a **0.17% increase** in economy-wide productivity

Source: *Standards and the Economy* (Australia: 2007)

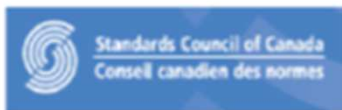
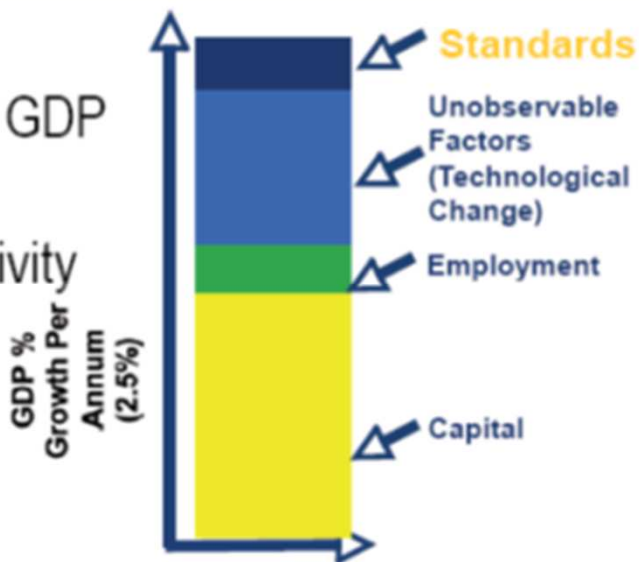


17% growth rate in labour productivity & **9%** growth rate in **output** (real GDP) linked to standardisation between 1981 - 2004

Source: *Economic Value of Standardization* (Canada: 2007)

Standards contribute:
£2.5 billion annually to UK GDP
£75 billion since 1948
13% of UK labour productivity growth

Source: *DTI Empirical Economics of Standards* (UK:2005)





The ISO Methodology

Assessing the economic benefits of standards

by Daniele Gerundino and Michael Hilb

We standardizers are generally quite certain that our work generates considerable benefits for organizations, markets and society. But substantiating and quantifying the real-world value of consensus-based standards is no small challenge. Few organizations have systematically analyzed the issue. Data is scarce and difficult to capture.

Though difficult, quantifying the benefits of standards is extremely important for monitoring and prioritizing stand-

on the economic impact of specific standards on various types of organizations.

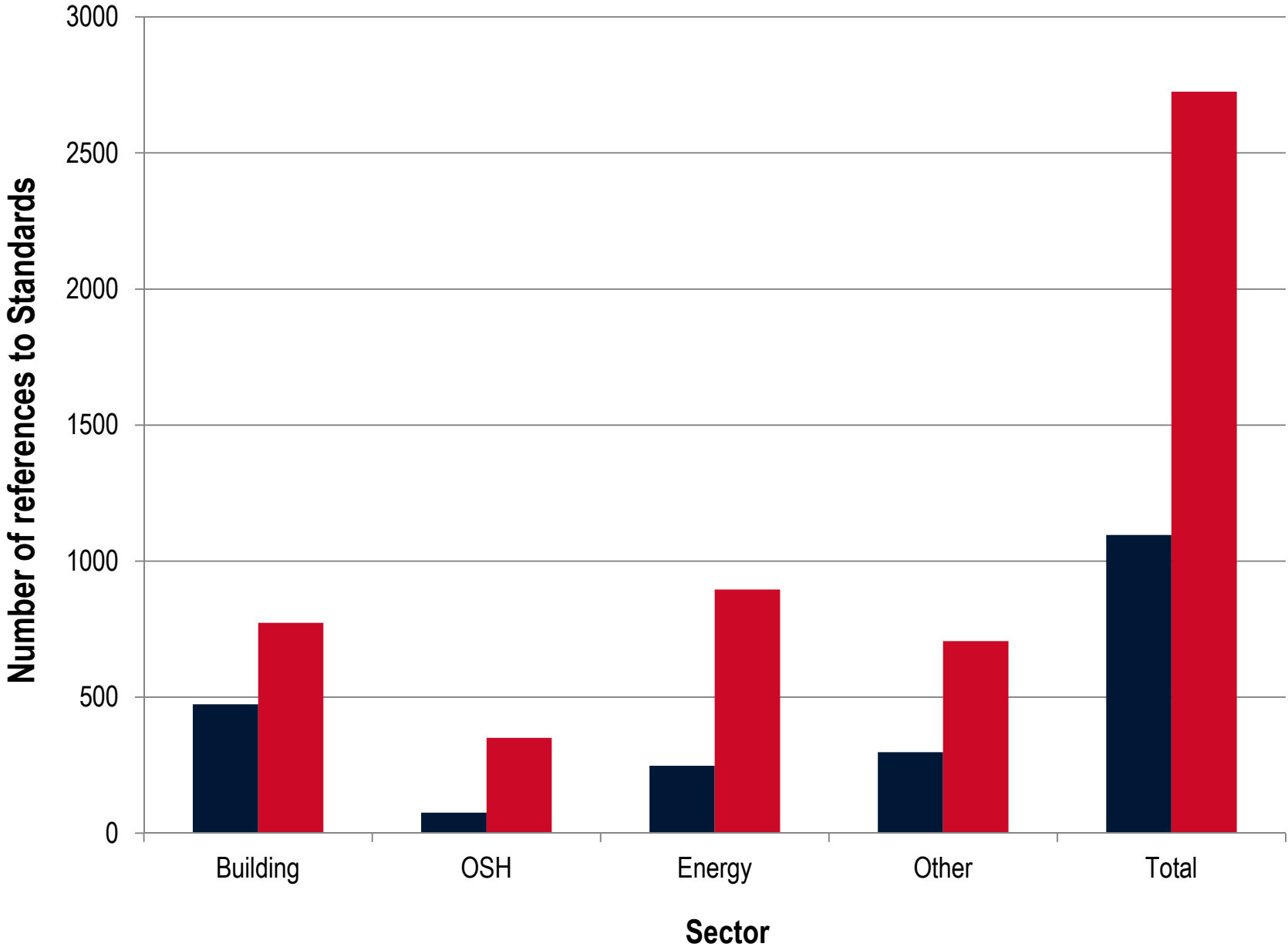
A much needed approach

The ISO Methodology's main objectives are to provide:

- A set of methods to measure the impact of standards on organizational value creation (with an emphasis on businesses)
- Decision-makers with clear and manageable criteria to assess the value associated with using standards
- Guidance on developing studies to as-

Standards incorporated by reference

2008
2012





Questions or comments...

“ The question is not what you gain from standardisation, it's what you lose without it. ”