

Submission 84 - Plumbing Products Industry Group

Plumbing Products Industry Group made submission 8 to the inquiry into non-conforming building products in the 44th Parliament.

This document is intended as a supplementary submission to the original submission 8.

All submissions received in the 44th Parliament can be accessed via the following link:

http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Economics/Non-conforming_products/Submissions



**SENATE ECONOMICS REFERENCE COMMITTEE
INQUIRY INTO NON-CONFORMING BUILDING PRODUCTS
PLUMBING PRODUCTS INDUSTRY GROUP INC's SUBMISSION**

29 November 2016



Senate Standing Committee on Economics
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To Senate Economics Reference Committee

Senate Enquiry inquiry into non-confirming building products

The Plumbing Products Industry Group Inc {PPI Group) welcomes the opportunity to provide further comment with respect to the inquiry into non-conforming building products by the Senate Economics References Committee.

In the PPI Group's original submission which we understand has been made available to the Committee, detail was provided with respect to areas of significant risk in plumbing products and systems and the challenges such risk provided to public health. This included examples such as;

- Loss of life through the outbreak of severe acute respiratory syndrome(SARS) in Hong Kong;
- Spread of the infectious organisms, Cryptosporidium and Giardia, through the Sydney water supply;
- Reported cases of water borne disease outbreaks in the USA causing some 443,000 reported cases of illness; and
- The World Health Organisations (WHO) concerns with respect to substandard plumbing leading to legionellosis and other water borne illnesses.

The PPI Group has also noted the non-conforming building products interim report Safety – ‘not a matter of good luck’ along with references to the Senior Officers' Group report "Strategies to address risks related to non-conforming building products”.

We note in particular section 1.27 of the interim report and the SOG's recommendations to the BMF which are fully supported and endorsed by the PPI Group. In recommending in principle support by the BMF, the PPI Group believes that these recommendations should include a proposal to the BMF to immediately agree to create an IGA establishing an agency/organisation with the ability to;

- (a) establishing a national forum of building regulators to facilitate greater

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- collaboration and information-sharing between jurisdictions;
- (b) improving collaboration between building and consumer law regulators and consistency in the application of the 'false and misleading claims' aspect of the Australian Consumer Law;
 - (c) developing education strategies to better inform consumers and building industry participants and to encourage greater responsibility in the safe use of building products; and
 - (d) considering the establishment of a 'one-stop-shop' national website to provide a single point of information for consumers and building product supply chain participants, including examining arrangements for hosting and maintaining a website.

Indeed, with respect to a) above the IGA establishing the Australian Building Codes Board (ABCB) is up for review and renewal from April 2017, and as noted in our earlier submission the ABCB would appear to be an ideal vehicle given its role and responsibilities with respect to the National Construction Code (NCC) which incorporates the Plumbing Code of Australia (PCA). State and territory regulators already participate with industry in this government agency, which should surely be able to facilitate greater collaboration and information sharing between the jurisdictions. This may require significant change to the current scope and objectives detailed in the existing Intergovernmental Agreement (IGA) establishing the ABCB.

With respect to items b) & c) the introduction of point of sale legislation would effectively create an environment and eliminate perceived barriers where Australian Consumer Law (ACL) could work hand in hand with state and federal regulators to overcome the challenges associated with NCBP. Indeed, the ABCB should take immediate steps to introduce point of sale requirements for plumbing products required to be WaterMarked under this mandatory scheme, ensuring that consumers, suppliers, retailers, wholesalers and the supply chain are well educated and understand their responsibilities and the value that this system of certification provides in ensuring that the products covered are fit for purpose and protect community health and safety.

Indeed it is almost unfathomable that state and territory governments would not immediately support such an arrangement when it deals with health and safety issues for consumers. Point of sale requirements are a critical path which has assisted in the acceptance and education of consumers with respect to water efficiency and labelling requirements and fully supported by state and territory jurisdictions with respect to the Water Efficient Labelling and Standards scheme (WELS).

WELS is a federally based scheme that requires certain water-using products to be rated and appropriately labelled. **WELS has a mandatory point of sale requirement** under the Water Efficiency Labelling and Standards Act 2005 (the Act), meaning these products cannot be legally sold in Australia without a WELS Label.

The Water Efficiency Labelling and Standards (WELS) scheme was established in 2005 under the Commonwealth *Water Efficiency Labelling and Standards Act 2005* (the WELS Act). **It is a cooperative legislative arrangement with states and territories.**

The objectives of the WELS Act are:

- to conserve water supplies by reducing water consumption;
- to provide information for purchasers of water-use and water-saving products;
- to promote the adoption of efficient and effective water-use and water-saving technologies.

The scheme aims to address these objectives by requiring registration and labelling of specified products to show their water efficiency and through setting minimum water efficiency standards (WES).

The WELS scheme is supported by complementary state and territory legislation, ensuring consistent national coverage. It is administered by the Commonwealth on behalf of all jurisdictions, with key managerial decisions considered by the WELSOG (the WELS Officials Group, comprising representatives of all WELS jurisdictions). WELSOG and the scheme are in turn overseen by a Ministerial Council.

The Intergovernmental Agreement (IGA) (2005) provided the mechanism for the cross-jurisdictional establishment of the WELS program. The Commonwealth and all states and territories were signatories to the agreement, and agreed:

- that a WELS scheme, including minimum standards, should be established in order to conserve water;
- the scheme should be nationally consistent, and would involve complementary legislation put in place by all jurisdictions in order to ensure that it applies to all persons;
- to a funding mechanism for the scheme, whereby the Commonwealth would provide for the establishment of the scheme, registration fees would provide for cost recovery, and that all jurisdictions would contribute additional funding for the operation of the scheme from 1 July 2005 as and when the need was determined by the (then) Environment Protection and Heritage Council (EPHC); and
- that the national scheme would be administered on a cooperative basis, with the Commonwealth having the role of regulator.

The IGA outlined key aspects of the desired legislation to establish the WELS scheme and established a notice period for consultations when a jurisdiction intended to amend WELS legislation, and for the Commonwealth when making determinations under its WELS Act.

The IGA also established a committee, comprising representatives of the WELS jurisdictions. Since the independent review of the scheme (see below), that committee is now known as the Water Efficiency Labelling and Standards Officials Group (WELSOG) and has a role in managing the scheme.

If there can be this level of agreement between the Commonwealth, state and territory governments over labelling arrangements for water efficient plumbing products, it must surely be possible where health, safety and well being of the Australian community are at risk with respect to non-conforming building and plumbing products!

Yours sincerely

Stuart Henry
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