

Fire Protection Association Australia Life Property Environment



FPA Australia Submission

Senate Inquiry – Non Conforming Building Products



This document is a submission in response to the Terms of Reference referred by the Parliament of Australia – August 2015

1.0 Executive Summary

FPA Australia contends that the issue of non-conforming building products is having a considerable impact on the Australian marketplace in terms of:

- a. Reducing the level of community safety expected to be delivered by products required to operate reliably as individual products and/or as part of holistic safety systems.
- b. Preventing an even playing field and reducing incentives for good corporate citizens to continue to fund research and appropriate product approvals.
- c. Increasing costs associated with repair and rectification work when non-conforming products are identified and required to be replaced.
- d. Reducing the quality of Australian buildings.
- e. Creating uncertainty and reducing confidence in each aspect of the supply chain.

In June 2015 FPA Australia wrote to all State and Territory Building Ministers and the Federal Minister for Industry asking them to acknowledge the issue of product compliance and presenting a conceptual framework for the risk categorisation of products and the associated rigour of assessment required to demonstrate they are fit for purpose.

This conceptual framework was supported by the recent Building Ministers Forum chaired by the Parliamentary Secretary to the Minister for Industry and Science the Hon Karen Andrews MP on 31 July 2015.

FPA Australia accepts the notion included in the World Trade Organisation agreement for the Reducing Technical Barriers to trade and the need for flexibility to trade in local and imported products. However regardless of where a product was manufactured, Australia must re-establish clear standards of product performance and prescribe expectations for the transparent and appropriately rigorous assessment of product to these standards. This is especially important for products that are required to be installed or incorporated in buildings to achieve safety outcomes.

2.0 About FPA Australia

Fire Protection Association Australia (FPA Australia) is Australia's major technical and educational fire safety organisation aiming to achieve continual improvement in fire safety through active membership and a range of related activities. FPA Australia is a not-for-profit organisation with the following strategic goals.

Our Vision

Leading and supporting a professional industry to minimise the impact of fire on life, property and the environment, for a safer community.

Our Mission

To lead and support our members, government, business and the public to create a fire safety community through:

- advocating for continuous improvement of legislation codes and standards
- guidance and direction on industry best practice
- development and provision of business services and resources
- proactive engagement, education and communication
- development and promotion of professional products and services

Our Values

Integrity: behaving ethically, acting with loyalty, honesty and transparency and being prepared to express our views.

Independence: to pursue our vision, free of bias, coercion, favouritism and external commercial interest.

Professionalism: being committed to the continuous professional development of our Association and industry.

2.1 FPA Australia members

FPA Australia members are involved throughout all phases of the fire protection industry as illustrated by figure 1 below.

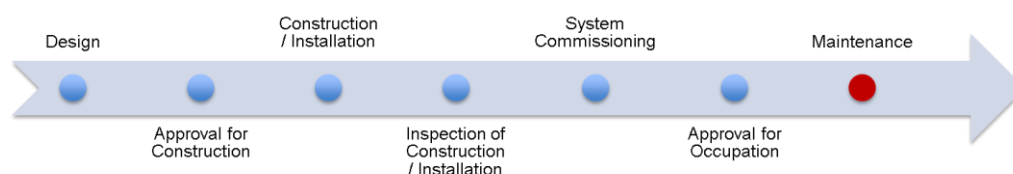


Figure 1– Phases of the Fire Protection Industry

Some of the fire protection systems and equipment our members cover through these phases include:

- Fire detection and alarm systems.
- Portable and mobile equipment.

- Fire sprinkler and hydrant systems, tanks and fixed fire pumps.
- Special hazard fire protection systems.
- Passive fire protection.

Our members also include students, certification bodies, insurers, fire brigades, government departments, universities and other relevant organisations as well as companies that offer services such as consultancy, training, emergency planning and procedures.

FPA Australia has three categories of membership as highlighted in figure 2.

- Personal membership – for individuals with an interest in fire protection and fire safety, wishing to receive regular communication and updates.
- Corporate membership – for businesses providing fire protection services and/or equipment and systems to the Australian market.
- Organisation membership – for business or institutional entities with an interest in fire protection and safety, but who are not involved in the manufacture and/or supply of fire protection equipment and/or services.

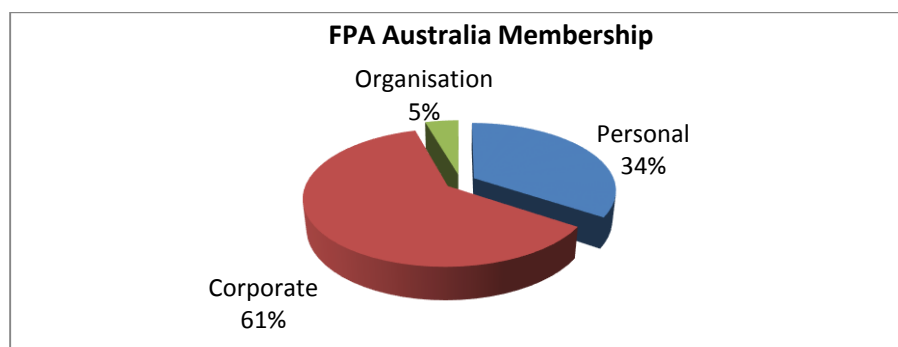


Figure 2 FPA Australia membership

2.2 FPA Australia technical committees

FPA Australia contributes—through its Technical Advisory Committees (TACs) and Special Interest Groups (SIGs)—to the technical requirements for fire protection systems and equipment used in Australia.

These technical committees are made up of volunteers from the membership with an interest and expertise in particular areas of fire protection and a commitment to advance the industry.

The TACs and SIGs are managed and coordinated by the FPA Australia Technical Department and the National Technical Advisory Committee (NTAC) under the authority of the FPA Australia Board, see figure 3.

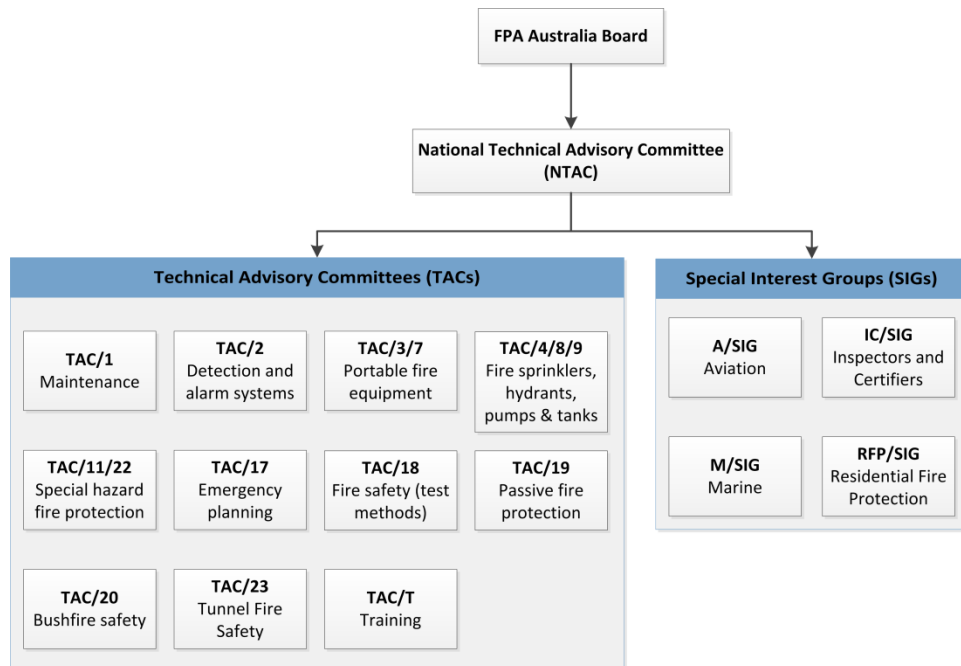


Figure 3 FPA Australia Technical Committee structure

TAC’s and SIG’s are also supported and engaged with FPA Australia State Committees to identify and treat state based issues and also for identification of local issues that might impact nationally.

FPA Australia’s TACs and SIGs contribute to a wide variety of organisations and documents including legislation (State, Territory and Commonwealth), Building and Plumbing Codes, Australian Standards, fire brigade documentation, industry guidelines and FPA Australia’s own technical documents, see figure 4.

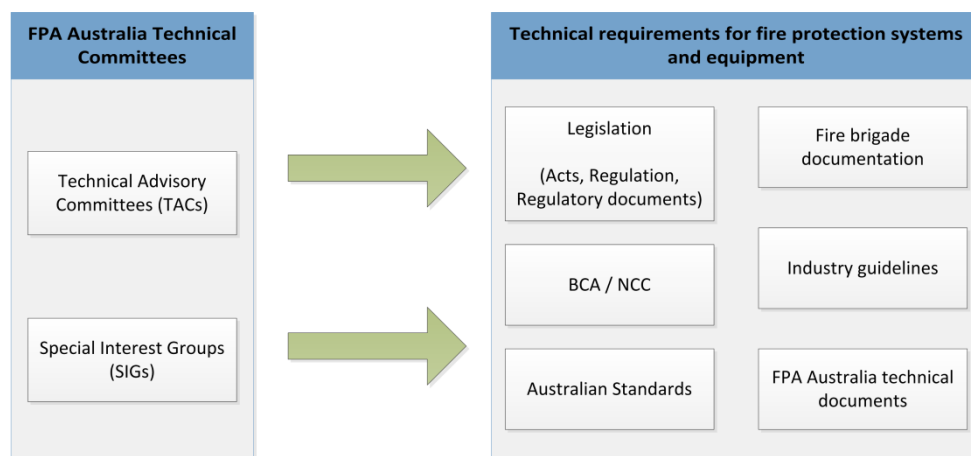


Figure 4 FPA Australia Technical Committee input to technical requirements for fire protection systems and equipment

FPA Australia is also a member of the Australian Building Codes Board (ABCB) Building Codes Committee (BCC).

3.0 Terms of Reference

On 23 June 2015, the Senate referred an inquiry into non-conforming building products to the Senate Economics References Committee for inquiry, with particular reference to:

- a. the economic impact of non-conforming building products on the Australian building and construction industry;
- b. the impact of non-conforming building products on:
 - i. industry supply chains, including importers, manufacturers and fabricators,
 - ii. workplace safety and any associated risks,
 - iii. costs passed on to customers, including any insurance and compliance costs; and
 - iv. the overall quality of Australian buildings;
- c. possible improvements to the current regulatory frameworks for ensuring that building products conform to Australian standards, with particular reference to the effectiveness of:
 - i. policing and enforcement of existing regulations,
 - ii. independent verification and assessment systems,
 - iii. surveillance and screening of imported building products, and
 - iv. restrictions and penalties imposed on non-conforming building products; and
- d. any other related matters.

This submission has been developed by FPA Australia to respond to these terms of reference.

4.0 Introduction

It is well recognised by Australian industry that global economic forces have an increasing impact on the production and supply of goods and services. The World Trade Organisation (WTO) Agreement on Technical Barriers to Trade signed by Australia to support product acceptance has the following objective:

“The Agreement on Technical Barriers to Trade tries to ensure that regulations, standards, testing and certification procedures do not create unnecessary obstacles, while also providing members with the right to implement measures to achieve legitimate policy objectives, such as the protection of human health and safety, or the environment.”

Australia’s acceptance of this WTO Agreement has influenced the development of the Evidence of Suitability options for product compliance in the National Construction Code (NCC).

In particular, Australia’s acceptance of this WTO Agreement has provided flexibility to adopt a range of forms of evidence, including certain international documentation. However, it is becoming increasingly apparent that acceptance of this WTO Agreement has and continues to have a negative impact on the conformance of building products. This includes both products entering Australia from overseas, which make up the majority of building products, and those manufactured locally (local manufacturers have to compete with often cheaper imports).

In addition to this, building regulation reform has been an agenda of Federal, State and Territory governments for a number of years. This is highlighted in the Centre for

International Economics (CIE) report to the Australian Building Codes Board dated December 2012 regarding building regulatory reform. While FPA Australia generally agrees that building regulation reform is required, there are certain aspects, such as product compliance with respect to life safety matters that are not-negotiable. Regulatory reform shouldn't be about cutting 'red tape', it should be about removing unnecessary red tape.

5.0 Defining Non-Conforming (Non-Conformity)

The Macquarie Dictionary definition for Non-Conformity is “*lack of conformity or agreement, failure or refusal to conform*”.

In relation to a specific building product, FPA Australia considers that non-conforming means a product that purports to have been tested and certified—and claims and states—to achieve a specific 'level of performance' and yet fails to do so.

In relation to a building, FPA Australia consider that non-conforming means a building that fails to meet requirements of Building legislation, Codes and Standards.

FPA Australia does not consider that the intensity and rapid spread of fire from the incident at the Lacrosse building in Melbourne was the result of a non-conforming building product. The product has legitimate uses in some building projects under the current regulations. Instead FPA Australia contends that the building itself was/is non-conforming due to the installation of a combustible façade material, which is a contravention of the Building Code of Australia (BCA) for this type of building. The Building Code and associated regulations are clear in this regard, the awareness of the supply chain in relation to selection and identification of conforming product is not.

It is important that any actions to improve product conformance and compliance are viewed in this regard.

6.0 Response to Terms of Reference Elements

a) The economic impact of non-conforming building products on the Australian building and construction industry;

Product price is a clear selection factor and will always be a major factor in a decision to use a certain construction method or building product. Cheaper products will be a priority. If building approval regulatory requirements, processes, inspection regimes and the like are insufficiently thorough, then the necessary 'checks and balances' will not be carried out. As such, cheaper unsafe non-conforming products are and will continue to be installed in Australian buildings. Clear prescription for the performance standard expected of products (especially those associated with life safety) and how it is demonstrated that this fit-for-purpose performance has been demonstrated is critical.

Currently there is minimal deterrents in place to combat product substitution (i.e. installing cheaper unsafe non-conforming products on buildings designed to have conforming products). There are significant savings possible by the use of cheaper and inferior product. Builders, developers and contactors who tender for project to install conforming products could be losing the tender to a builder or contactor who tenders for a price with the intention of installing non-conforming products.

The lack of clear expectations and education regarding appropriate product selection and use creates a potential increase of litigation of builders, building surveyors, designers and the like by building owners—or contractors by the builder—who pay for what they believe is a conforming product, yet obtain non-conforming products.

Non-conforming products within the built environment subsequently cause the building to be unsafe and non-compliant. The levels of non-compliance can jeopardise community confidence and there is a real potential for unsafe and very dangerous buildings due to non-complying products. When confidence is eroded it can command the significant investment in the establishment of additional pro-active audits for non-complying products.

Australian building companies generally have a price first approach rather than compliance first approach. A clear product assessment framework based on categorising products by risk and assigning required rigour of assessment would focus the expectations of the marketplace and reduce cost implications.

The Australian Industry Group (AIG) has conducted extensive research into the economic impact of non-conforming product. The AIG document "The quest for a level playing field, the non-conforming building product dilemma, 2013" states that "evidence suggests that the market penetration of non-conforming products in several key construction product sectors in Australia may be up to 50%, this is a sobering and alarming statistic."

b) The impact of non-conforming building products on:

(i) industry supply chains, including importers, manufacturers and fabricators,

Non-conforming products are generally cheaper than conforming products as they haven't been tested and certified as being conforming to Australian legislation or Standards and don't necessarily include the more expensive materials and components to perform reliably to the expected fit-for-purpose performance standard.

Australian supply chains, importers, manufacturers and fabricators have potential liability exposure if the goods they manufacture or supply are found to be non-conforming. However there is also a clear economic impact on not only local manufacturers, but also local builders.

In the fire protection industry, many items are manufactured overseas and many of these are manufactured and certified to appropriately rigorous fit-for-purpose performance standards. The trend to import such products is set to continue; however, the current code flexibility for evidence of suitability that can allow a less rigorous approach is concerning.

(ii) workplace safety and any associated risks,

Non-complying building products are a significant danger to emergency services, occupants and the public. Australian legislation and Standards stipulate the minimum levels of life safety for Australian buildings and building products. Non-conforming building products lower this level of life safety. This is evidenced by the recent 'Infinity Cable' issue in Qld and NSW.

(iii) costs passed on to customers, including any insurance and compliance costs; and

The potential costs of non-conforming building products could be significant. Should the building product found to be non-conforming be a high risk type product that is/ or forms part of an essential safety measure, then there is the potential for a major impact on life safety, property damage and economic loss.

Generally costs are directly or indirectly passed onto owners and occupiers of buildings with non-conforming building products. An owner or occupier may have to vacate a building for the period of time it takes to rectify the non-conforming or life safety issue created by the non-conforming building product. Rectification can often take months or even years. If a non-conforming product is found in a building, it is often a lengthy and costly process to determine which party is responsible for approving and installing the non-conforming product. If this is proven, then it can be a lengthy process to have the responsible party rectify it.

It can transpire that a party who has installed non-conforming product will either strenuously fight to prove they had approval to install the product, didn't know it was non-conforming or ignore the matter until an owner takes legal action. Legal action is not often carried out as the costs are prohibitive and there is no guarantee of success. This more than often leaves the owner with the task of rectify the issue and being 'out of pocket'.

This whole process is extremely stressful for the lay person who has no or little building experience. Non-compliance creates a legacy issue that may be even more costly to resolve

in the future when the original building stakeholders are no longer in business or liable for the works they carried out.

(iv) the overall quality of Australian buildings;

Non-conforming products, along with non complying or inferior workmanship significantly decrease the level of life safety and the quality of buildings in Australia.

Numerous incidents in the media and studies carried out by insurers or building associations have highlighted that there are often a large number of defects in new buildings at the time of occupancy approval. These defects may be due to workmanship or non-conforming products.

Sometimes non complying products are not known until an incident occurs (fire or the like) which highlights the non-conforming product. Often non complying products are not known by owner until they have occupied or leased out their building.

c) possible improvements to the current regulatory frameworks for ensuring that building products conform to Australian standards, with particular reference to the effectiveness of:

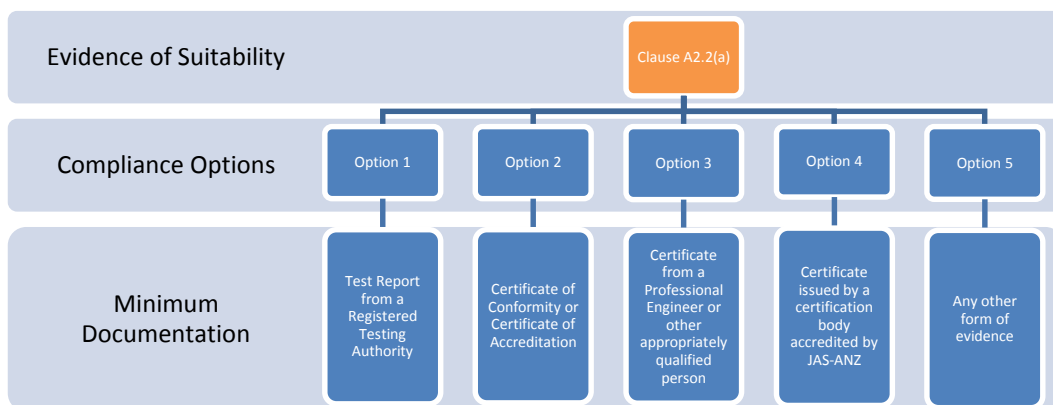
(i) policing and enforcement of existing regulations,

Product non-conformance and building non-conformance is generally being dealt with at the local government level, with little or no collective list of non-compliances. There is no system to determine if there is a systemic failure of a building product, procedure or practice Australia wide.

Australia has an existing framework for Building Solutions (Deemed to Satisfy and Alternative Solutions). This framework is contained with the National Construction Code and Building product compliance.

For both Building Solutions evidence of product compliance is required to be obtained/provided from—one of five options—of documentary evidence of suitability in accordance with the NCC Volume 1 Clause A2.2 confirming product performance.

Clause A2.2 “Evidence of Suitability” of Volume One of the BCA (replicated by clause 1.2.2 of Volume Two of the BCA) establishes options for manufacturers or suppliers of products to provide different forms of documentary evidence to support a claim that a material, form of construction or design is suitable and fit for purpose as illustrated below.



There is no hierarchy associated with these options. The BCA provides options for different types of evidence that are considered to be acceptable, therefore providing flexibility to product suppliers as to which option they choose to satisfy. The extent to which the documentary evidence of suitability complies with one of these options is ultimately at the discretion of the Authority Having Jurisdiction (AHJ) to accept. Predominately the AHJ is a Building Surveyor (Private or Municipal).

These current requirements represent dramatically different approaches in product assessment rigour to demonstrate fit-for-purpose performance standards are achieved. Accordingly FPA Australia has championed change of these requirements based on risk assessment of products (see Section 7.0). The AHJ and the supply chain require clear guidance and surety as to what product is acceptable.

Evidence and identification of non-conformance generally occurs after installation and predominately after a life or health safety incident. For example: the most critical time a fire safety product is required to conform and be suitable is during a fire incident. This is not the time to identified it as being non-conformance and unsuitable. Building products should be assessed, tested and certified based upon a risk criteria.

Most States and Territories currently legislate that Building Permits or Building Approvals can be issued by the AHJ. The building legislation often empowers the AHJ to be the 'front-line' for the policing and enforcement of building legislation respective to their permit or approval. These bodies also need support and clarity.

(ii) independent verification and assessment systems,

FPA Australia contends that improvements to the existing regulatory product compliance framework can be made, utilising existing testing and accreditation bodies. This process is detailed in Section 7.0 below.

(iii) surveillance and screening of imported building products, and

While surveillance and screening of imported products could be carried out, we consider that cost to do so would be significant. We contend that a cheaper option would be to make improvements to the existing regulatory product compliance framework can be made, utilising existing testing and accreditation bodies. This process is detailed in Part 4 below.

(iv) restrictions and penalties imposed on non-conforming building products; and

While it is always preferred to promote and provide positive outcomes for those companies involved in the manufacture, supply, install and approval process there is also the necessity for a deterrent for those who do not comply with a legislated system or process.

At some stage—or stages—during of the manufacture, supply, installation and approval process there needs to be a deterrent that includes significant financial penalties. Without a deterrent there is little reason to provide a complying building product if there are cheaper alternatives.

Of course, despite what penalties are possible these would only be applicable after a regulator conducts the required investigation and enforcement process. Failure of a regulator to carry out surveillance and enforce against companies or individuals would result in non-conforming building products to continuing to be installed in buildings.

(d) any other related matters.

Refer to section 7.0 below.

7.0 Proposed National Building Product Compliance System

FPA Australia contends and proposes a solution to address and rectify the building product non-conformity issues currently plaguing the building industry, owner and occupiers. This solution is closely based upon the current system and ‘Watermark’ scheme required by the Plumbing Code of Australia for plumbing products.

As such, this proposal is not an entirely new concept. It is enhancing and modifying an existing system to make it suitable for all other building products. It is a system that utilises a risk based criteria methodology to categorise a building product and thereby apply the appropriate rigour of assessment to address the risk.

This system is summarised in the five parts below and shown in the attached drawing.

Part 1 - Partnerships

It should not be left entirely to the federal government to implement and administer a new system that utilises and improves upon the current system of building product ‘evidence of suitability’. We contend that implementation and administration of any such new system should be developed and supported via a partnership between the Federal, State, Territory Governments and the relevant & respective industry bodies.

We contend that this partnership should involve the following:

Federal Government	<ul style="list-style-type: none"> ▪ To implement the system via the National Construction Code (NCC). ▪ Establish a National Building Product Register (this already existing for plumbing products) and Portal.
State/Territory Governments	<ul style="list-style-type: none"> ▪ Adopt NCC requirements. ▪ Investigate and enforce (where necessary) complaints of non-conforming products.
Industry Bodies	<ul style="list-style-type: none"> ▪ Establish National Product Compliance Schemes that are audited and recognised by Federal Government. ▪ Administer scheme process, carry out surveillance and field product non-conformity complaints.

Part 2 - Prescribed Risk Criteria

This part details the process to determine the risk category for building product certification. This is based upon the AS 4360-1995 Risk Management model that consists of six steps.

<p>Define the context within which the risk are to be managed.</p>	<ul style="list-style-type: none"> ▪ The first context is the level of control for the design and manufacture of each product type, which will be the minimum needed to ensure that the product to be 'fit for purpose' in a cost-effective, ecologically sustainable manner through a process that assesses the risks associated with: Life Safety, Health, Environment and Economic Loss. ▪ The second context is the time frame in which failure may occur. ▪ The third context is the normal location of the installed product.
<p>Identify the Risks</p>	<ul style="list-style-type: none"> ▪ Risks are to be identified using a systematic and detailed approach that includes estimating the magnitude of the risk and ranking them in order of magnitude so as to determine which risks should be prioritised. This also includes assessment of faults, failure or problems with a component or component sub-assembly. The risks are then scored.
<p>Analyse the Risks</p>	<ul style="list-style-type: none"> ▪ Analyse the identified risks to understand how risks arise and estimate the magnitude of possible faults or failures and their likelihood.
<p>Assess the Risks</p>	<ul style="list-style-type: none"> ▪ After the analysis, risks are assessed and ranked in descending order of seriousness.
<p>Treat the Risks</p>	<ul style="list-style-type: none"> ▪ Details in Part 7.0 below.
<p>Monitor and Control</p>	<ul style="list-style-type: none"> ▪ Details in Part 7.0 below.

The process requires a manufacturer or supplier of a product to submit a building product application 'package' to the respective Industry scheme via an application process. A small team of experts with experience of that product type would assess the product using a prescribed 'Procedure for Assessing and Managing risk of Building Products'.

The procedure would utilise a prescribed risk criteria—similar to above—to categorise the appropriate ‘Risk Category’ should failure of a product or system result in adverse risk to life safety, health, economic loss and the environment. There would be three risk categories: High, Medium and Low.

Part 3 - Prescribed Rigour of Assessment

In addition to categorising the product into one of three risk categories, the prescribed risk criteria procedure—above—also ranks high risk category products in order of risk based product failure or system failure which could result in that adverse risk to life safety, health, economic loss and the environment.

This ranking system would be based on the ISO Guide 67 *Conformity Assessment – Fundamentals of Product Certification*. The ISO Guide 67 details ‘ranked’ certification systems as shown in the table below.

ISO/IEC GUIDE 67:2004(E)

Table 1 — Building a product certification system

Elements ^a of product certification system	Product certification systems ^{b, c, d}							N ^e
	1a	1b	2	3	4	5	6	
1) Selection ^f (sampling), as applicable	x	x	x	x	x	x		
2) Determination ^g of characteristics, as applicable, by:	x	x	x	x	x	x	x	
a) testing (ISO/IEC 17025)								
b) inspection (ISO/IEC 17020)								
c) design appraisal								
d) assessment of services								
3) Review ^g (evaluation)	x	x	x	x	x	x	x	
4) Decision on certification Granting, maintaining, extending, suspending, withdrawing certification	x	x	x	x	x	x	x	
5) Licensing (attestation) ^f Granting, maintaining, extending, suspending, withdrawing the right to use certificates or marks		x	x	x	x	x	x	
6) Surveillance, as applicable by:								
a) testing or inspection of samples from the open market			x		x	x		
b) testing or inspection of samples from the factory				x	x	x		
c) quality system audits combined with random tests or inspections						x	x	
d) assessment of the production process or service				x	x	x	x	

^a Where applicable, the elements can be coupled with initial assessment and surveillance of the applicant's quality system (an example is given in ISO/IEC Guide 53) or initial assessment of the production process. The order in which the assessments are performed may vary.

^b A product certification system should include at least the elements 2), 3) and 4).

^c An often used and well-tried model for a product certification system is described in ISO/IEC Guide 28; it is a product certification system corresponding to system 5.

^d For product certification systems related to specific products, the term 'scheme' is used (see 3.2, Note 2).

^e Reference [16] mentions system 7 (batch testing) and system 8 (100 % testing). These may be considered product certification systems if at least the elements of system 1a are included.

^f See ISO/IEC 17000 for definitions.

^g In some systems, evaluation means determination, and in other systems it means review.

These systems have initial product certification processes based on product type; however, the products that have a greater associated risk—the higher ranked risks—are required to be subjected to differing types of ongoing surveillance. This surveillance is carried out utilising a routine regime of inspects, tests and the like.

Products in the high risk category would be ranked in order of risk from 1b to 5.

Ranks 1b to 5 all require testing (items 1-5 in the above table), inspection, design appraisal, assessment of services, review, decision on certification and Licensing.

In addition to the above items 1-5, ranks 2 to 5 also require some form of ongoing surveillance (item 6 in the table above). The surveillance requirements become more stringent the higher the rank starting from:

Testing and inspections of samples from the market (Rank 2) to testing and inspections of samples from the market, testing and inspections of samples from the factory, assessment of the production process and quality systems audits combined with random tests and inspections (Rank 5).

A product that has achieved certification can then be licensed or listed on a 'National Product Register'.

Part 4 - Recognised Industry Schemes

Industry Schemes would be established to encompass select types of products installed within buildings. For example: a glazing association would administer the scheme for window & door glass, safety glass, shower screens, glass balustrades and the like. A fire protection association would administer the scheme for all fire protection and essential fire safety measures.

To achieve 'recognition', each specific industry scheme would be required to work with government to prepare detailed documentation of the all processes and systems including; the prescribed risk criteria, product specific assessment schedules, all necessary administrative process and Quality Assurance systems.

After obtaining 'recognition', industry schemes would be referenced in the National Construction Code. Schemes should be regularly audited by the Federal Government to ensure that the schemes are administering the process at the required level of performance.

Each specific scheme should develop expert panels to cover the range of products in their scheme. These expert panels would:

- Assist in the development of the prescribed risk criteria
- Develop product specific assessment schedules that utilise existing product testing and certification laboratories who test to Australian and approved International Standards
- Assess applications for new product seeking certification
- Assess international product testing, certification bodies and processes to determine acceptance of inclusion within the scheme

The industry schemes would specify and utilise existing Conformity Assessment Bodies (CAB). As they currently do, these CABs would be subject to accreditation by the Joint Accreditation Scheme – ANZ. These CABs would continue to provide product certification based on test results from NATA accredited testing laboratories. As the CABs, JAS-ANZ and Nata accredited laboratories already existing and carry out these functions, there would be little cost involved in a scheme specifying their services.

It is envisaged that after the initial setup costs and creation of the Industry Schemes they would not require any further financial assistance from government in the form of maintain and deliver budgets. However this would be a sliding amount to some degree as the Industry Schemes would effectively become self-funding via a licensing system in time. Each product that certified through an Industry Scheme process would require a license to be listed on the National Product Register.

To obtain the license a fee would be paid to the respective Industry Scheme. This fee would provide the funding for the ongoing costs to administer the Schemes, the National Portal (see below), carry out surveillance of products—as required by product ranking—and investigated complaints of non-conforming products.

Part 5 - National Product Portal

The Portal should be administered by the Federal Government, possibly by the Australian Building Codes Board. This portal should be a web based portal that provides the public access to:

A National Product Register	<ul style="list-style-type: none"> ▪ Linked to recognised industry schemes. User can search the industry scheme databases for all licensed products.
Education Material	<ul style="list-style-type: none"> ▪ Information to be provided by Industry Schemes on their specific scheme’s product certification, licensing, systems and processes. ▪ Information can be provided by Federal, State or Territory governments in relation to building product compliance or relevant legislation.
Confidential Reporting	<ul style="list-style-type: none"> ▪ To allow the public to confidentially provide evidence of a products non-compliance for investigation. ▪ A list of complaints would be kept in a database so that it could be interrogated to obtain a National perspective of the product or type of products.
Compliance Enforcement	<ul style="list-style-type: none"> ▪ Reports of non-compliance would be referred to the respective State or Territory building authority and respective Industry Scheme for a joint investigation. ▪ Where a product is determined to be non-complying, the Industry Scheme would suspend the license, remove the product from listing. ▪ The authority would carry out the necessary building enforcement to have the product rectified. ▪ The authority would also issue fines upon the manufacturer or supplier (where the manufacturer is overseas).

8.0 Benefits

1. A risk based approach to categorise products and assign appropriate assessment rigour, without substantially reducing flexibility of compliance options.
2. A national register for High and Medium risk products providing transparency and improving consistency of products across the national marketplace.
3. Industry stakeholders will have buy-in to developing National Product Certification Schemes in partnership with government to tailor appropriate assessment rigour for products in their industry sector.
4. Retain established national technical infrastructure bodies (JAS-ANZ, NATA, Standards Australia, Conformance Assessment Bodies, NCC) and other approval bodies.
5. Improved ability for designers to specify products, installers and builders to select products and building surveyors and certifiers to approve product use.
6. Improved education, surveillance and monitoring of product against clear criteria.
7. Reduced risk to practitioners, thereby protecting the already fragile insurance market.

9.0 Summary

To limit the impact of non-conforming building products to the Australian building industry and consumer, FPA Australia contends that there are a few key factors that need to be accepted and implemented as follows:

1. Recognition and acceptance that Australia has a building product non-conformance problem.
2. Creation of a building product conformance taskforce to develop a National Building Product Compliance System framework and accompanying Regulatory Impact Statement.
3. Modify regulatory product compliance legislation where assessed to be ineffective, misunderstood, conflicting or is assessed to be a risk to the Australian people.