Oglobal-mark[®]

15th August 2007

Committee into the regulation of plumbing product quality in Australia House of Representatives, PO Box 6021, Parliament House, Canberra ACT 2600

Transmitted by email: environment.reps@aph.gov.au

Re: Submission of the Enquiry on the WaterMark and Plumbing industry

Dear Sir/Madam,

Please find enclosed the comments from our organisation.

Summary of our submission:

- Whilst the WaterMark program is a very detailed, specific and rich program, intended to protect Australian consumers and assure quality of the water infrastructure, its consistent and disciplined enforcement should be reviewed and improved.
- There is significant support from industry and consumers to the outcomes and processes of the WaterMark, but the continual change of the standards and specifications governing the WaterMark is creating difficulties.
- Most existing manufacturers support and comply with the WaterMark program, but have to compete against others who are not following the rules.
- Many products being sold in Australia do not comply, and have not been subject to certification or continued certification compliance requirements.
- There should be a slowing down in the updating of standards and specifications.
- There should also be stronger and more visible feedback of point of sale compliance.
- The WELS and WaterMark processes should be linked or merged.

Our company

Global-Mark is a certification company, accredited by the Joint Accreditation System of Australia and New Zealand, and involved in the Certification of Product under the WaterMark Program.

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Submission No:	
Date Received:	15/8/07
Secretary:	Â

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Tendency for over complicate and stipulate requirements

There is a tendency (at the Standards Committee level) of over regulation of ٠ and the Watermark scheme is patent in the creation of more rules with more technical hurdles for products and manufacturers. This approach may be a manufacturers are not fully satisfied with products being used or found in the market place and continue to "raise the

- bar" to drive improvements.
- There are currently many standards governing the WaterMark: many of these standards are being updated very regularly, when in practice some manufacturers are not maintaining their products, testing and certifications to keep up with the Standards.
- Changing the Standards equates to changing the goal posts: on a world scale, Australia is a very small plumbing market, yet we have some of the strictest rules. For many manufacturers (now generally overseas) compliance with ever changing Australian Standards, marking requirements etc creates significant difficulties. It should also be recognised that minor changes (like marking for example which in some cases has changed at least 3 times in the last 3 years) can have significant impacts on manufacturers. For example certification marks may be part of the moulds, or new printing equipment, and marketing literature may need to be purchased or updated.

Recommendations:

- Ensure current rules are enforced before changing the rules. The problem is not with the existing rules, but with their lack of enforcement.
- Reduce the pace of updates to Standards and Specifications

No uniformity applying existing rules

- Up to mid 2004, only one Certification Company was authorised to access the WaterMark logo, hence able to certify products to the WaterMark. In my previous company, Benchmark Certification, we raised the issues on alleged anti-competitive behaviour in the Federal Court (reference N297 of 2004) as there was an "exclusive" arrangement between Standards Australia (owners of the WaterMark logo) and SAI Global (Approved Certifier). Until late 2004, early 2005 only SAI Global was able to work within the WaterMark market. The issues raised below show were also relevant when only one Certification company was involved.
- At the moment within the same Level of WaterMark certification different levels of certification requirements appear to be adopted depending on the region of certification, auditor, etc. When Clients are transferring to Global-Mark and we get access to the technical file and reports, we are finding many and un-justifiable inconsistencies (periodicity of audits and testing, upgrading when standards are being upgraded, selection of samples of testing, use of DR brass, marking with WaterMark or other logo, etc)
- Mechanisms for the timely and effective transmittal of new requirements and rulings emanated by relevant standards committees to all current WaterMark Certifiers are also a necessity. Some Clients advise us that their auditor advised them "this requirement did not apply" or that "the committee had agreed to waive this requirement". Such rulings should be transparent and made available to all.

• Current rules for the upgrading of products, testing, marking and certifications when a standard is changed are very clear. Yet a quick review of the online registers shows that there are still hundreds (if not more) of products that have not been upgraded (in some cases still listed against a standard that has been revised twice: i.e. superseded twice). The rules are not being followed, and this is clearly visible. This further frustrates companies who have been forced to comply or just want to "do the right thing".

Recommendations:

- Greater monitoring and supervision of certification companies and auditors involved in the WaterMark.
- Development of a competency based WaterMark Auditor credentialing process: recognising personal attributes and communication skills for auditors, but also engineering and technical knowledge of standards, products and manufacturing techniques of products.

Insufficient and inadequate monitoring of products in the market (hardware shops, direct imports, installation of non-Watermarked products)

- One of the many frustrations of all those involved in the WaterMark process is that in the market there are may products which do not comply, are not certified yet are being sold. A quick visit to the local hardware shop/plumbing section (products offered at the point of sales), will show how many products are not certified, or not marked correctly or not to the correct standard.
- As a result the plumbing industry (who is responsible for using and installing these products) do not know or understand that products should be WaterMarked and show the WaterMark logo.
- It appears that there are many "grey" imports where no attempts to demonstrate compliance have been made.
- Whilst Regulators are responsible to ensuring that Certified products are being installed, our view is that the market survey, testing and monitoring processes are insufficiently resources or not effective.
- This discredits the WaterMark, as manufacturers trying to get their products to comply, have to compete with completely unregulated products.

Recommendations:

- Greater market surveys, independent testing, formal and enforced feedback and recall rules/procedures.
- Development of an enforcement/penalty program for non compliant products (including importers, retailers, certification companies, plumbers)

Confusion of WELS and WaterMark

- This issue has been very much discussed in the last few months. The current high profile of the WELS program has built a level of awareness in the market, but the present view that a product can be WELS approved without being WaterMark approved is creating significant confusion.
- The 2 approval processes are very positive and for simplicity and transparency should be "linked" if not merged.

Recommendations:

Link or merge the WELS Approval/Registration and WaterMark processes

We remain at your disposal,

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Yours Truly, Herve Michoux Managing Director Global-Mark Pty Ltd <u>HM@Global-Mark.com.au</u>

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