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Senate Economics Committee
Committee Secretariat

Senate Inquiry into Non-conforming Building Products – HIA Questions on notice

Questions:

1. Third party accreditation:

Evidence to this committee indicates that there needs to be some kind of accreditation/system for high risk products that includes as pillars:

- Clear standards;
- Certificate of compliance attached to product documentation (acknowledging they can be fraudulently copied)
- Testing regime (that tries to avoid golden samples, only testing at the start of product development and not ongoing etc.)
- The lab that used meets certain criteria, both for the lab generally and specifically for particular tests that are carried out.
- Penalties and enforcement

a) Is this the kind approach that you want to see?

Housing Industry Association (HIA) Response:

Many of the items listed above already exist in relation to our current regulatory framework for building products demonstrating their fitness for purpose as part of the National Construction Code.

For example, the NCC currently references well over a thousand Australian Standards with many of those standards applying to building products. Where a standard does not exist for a particular product i.e. for a new or innovative product, the NCC requires that the product would still need to provide evidence to the building approval authority that it meets the NCC mandatory Performance Requirements that apply to the use of that product in a building.

In terms of testing and certification bodies meeting certain criteria, the NCC requires that laboratories be accredited by NATA who accredit labs with a specific scope for the standards they can test to.

Certification bodies or CABS are required to be accredited by JAS-ANZ where a scheme exists for the type of product that they are seeking to test. Similar to labs, they have a particular scope for which families of products may be able to be certified under the scheme.

In terms of testing regimes of golden samples, as opposed to batch testing and ongoing testing/surveillance, the issue is difficult to talk to as a one size fits all application. For example some fire tests are extremely sophisticated and involve a full scale scenario which may be very costly and time consuming, resource intensive involving a single test.

It would not be practical and would be extremely cost prohibitive to require full batch testing under this scenario for every product or system then manufactured. But the test should be a reliable, repeatable prototype and subsequent manufacturing of those products should occur as per the tested specimen.

For other products such as timber framing much of this is already batch tested as part of stress grading testing.

For other products there may be merit in considering further sampling testing requirements, but provided a sample test is undertaken and then subsequent manufacturing of the product is in accordance with the tested specimen the issue should not be as prevalent. Greater focus may be warranted on quality assurance procedures being in place for the manufacturing processes to ensure product quality and conformity to the representative samples.

Therefore, much of the infrastructure in our building regulations already exists for improving product conformance/product certification and testing however, the knowledge base, understanding, and people requesting the right information requires further commitment by all key players including government and industry to assist practitioners.

- b) One concern about third party accreditation is that the third party body managing the accreditation can effectively be a Government supported “monopoly” itself. If there were to be Government endorsed accreditation, how manage problems like this?

Housing Industry Association (HIA) Response:

As identified in previous response the NCC has requirements that Labs issuing product test certificates be accredited by NATA who accredit labs for a specific scope. Similarly the NCC requires product certification bodies or CABS to be accredited by JAS-ANZ and they will have a particular scope of which families of products they may be able to issue product certification for.

Where engineers or others professionals are developing product assessments or reports, the NCC requires that these professionals be appropriately qualified, experienced and skilled and generally hold relevant licences, or be registered to practice.

- c) In support of certification is Shergold & Weirs Recommendation “We recommend that the BMF agrees its position on the establishment of a compulsory product certification system for high-risk building products.”
 - What is your view on this recommendation?
 - If this recommendation were to be implemented, what should be included in “high risk products”?
 - What should be some guiding criteria?

Housing Industry Association (HIA) Response:

The Shergold/Weir recommendation, is not essentially a recommendation, rather it just defers the matter of building products back to the work already being considered by Building Ministers through the Senior Officials Group and the Australian Building Codes Board.

Since this Senate Inquiry was initiated some good work has been done to revise and improve the NCC product evidence requirements, which included enhanced evidence requirements. Could this go further and should ‘third party certification’ be mandatory for certain products – firstly the question of what is third party certification requires an answer.

Currently the NCC product evidence requirements contains 5 options for demonstrating suitability of a product, depending on the situation any of the five could be ‘third party’ or ‘independent’ certification i.e. someone separate from who produced the product.

In terms of the question of ‘higher risk products’, for the majority of cases it is not the product that is high risk it is the application which a product may be used in that may make it ‘higher risk’. In terms of developing lists or registers of higher risk products which therefore require enhanced product evidence requirements, obviously fire safety products for buildings over 25 m and products associated to structural safety come to mind.

The ABCB recently produced an ‘evidence of suitability/product assurance handbook’ based on a similar publication by the New Zealand government. This handbook contains a product assurance framework and introduces the use of risk matrix that looks at likelihood of product failure and consequence of failure. Where there is a high likelihood of failure and/or consequence of failure is potentially significant it suggests that enhanced product evidence requirements.

Such a model being tested as a pilot for certain families of products may be something governments may want to consider.