



Water Efficiency Labelling and Standards Amendment Bill 2010

Juli Tomaras
Law and Bills Digest Section

Contents

Purpose	2
Background	2
Basis of policy commitment.....	3
Financial implications.....	4
Key provisions	4
Item 1.....	4
Item 2.....	4

Water Efficiency Labelling and Standards Amendment Bill 2010

Date introduced: 29 September 2010

House: Senate

Portfolio: Sustainability, Environment, Water, Population and Communities

Commencement: The main provisions commence on the day after Royal Assent

Links: The links to the [Bill, its Explanatory Memorandum and second reading speech](#) can be found on the Bills home page, or through <http://www.aph.gov.au/bills/>. When bills have been passed they can be found at the ComLaw website, which is at <http://www.comlaw.gov.au/>.

Purpose

To amend the *Water Efficiency and Labelling Standards Act 2005*, so as to enable the setting of additional criteria for the registration of a plumbing product before the product can be registered under the Water Efficiency Labelling and Standards Scheme (WELS).

Background

WELS (Australia's water efficiency labelling Scheme) became mandatory on 1 July 2006, thus requiring certain products¹ to be registered and labelled with their water efficiency in accordance with the standard set under the national *Water Efficiency Labelling and Standards Act 2005*.

According to the Regulator's homepage, the objectives of the WELS scheme are to:

- Conserve water supplies by reducing water consumption;
- Provide information for purchasers of water-use and water-saving products; and
- To promote the adoption of efficient and effective water-use and water saving technologies²

The WELS **water rating label** is designed to provide consumers with water efficiency information for water-using products, enabling them to make comparisons between products and to confidently choose water efficient models.

The WELS Scheme does not apply to second-hand products and products imported into Australia for personal use.

1. These products are: water-using products (showers, tap equipment); sanitary ware (toilet and urinal equipment); white goods (clothes washing machines and dishwashers).
2. Senator Ludwig, 'Second reading speech: Water Efficiency Labelling and Standards Amendment Bill 2010', Senate, *Debates*, 29 September 2010, p.64.

The Australian Government's *Water Efficiency Labelling and Standards Act 2005* (The WELS Act) provides the legal framework for the WELS Scheme. The Water Efficiency Labelling and Standards Regulations 2005, the Water Efficiency Labelling and Standards Determination 2007 and the Water Efficiency Labelling and Standards Declaration 2005 are also part of the WELS legislative framework.

In summary the Australian Government's WELS legislation covers:

The establishment of the [WELS Regulator](#) to administer the Scheme.

- Authority for the Australian Minister for Sustainability, Environment, Water, Population and Communities to specify the products to be covered by the WELS Scheme, the standards they must meet and other requirements.
- Requirements for the registration and labelling of WELS products, including setting the fee to register a product
- Monitoring and enforcement measures, including the appointment of WELS inspectors.
- Procedures for issuing and paying penalty infringement notices as an alternative to prosecution for offences.

The states and territories have also enacted or agreed to enact complementary legislation so there is national coverage for WELS.³

Basis of policy commitment

Plumbing products are subject to both the WELS scheme and also the WaterMark certification scheme, which is subject to state and territory plumbing regulation. WaterMark certification is mandatory pre-requisite for a plumbing product to be legally installed. However, WELS registration and labelling is necessary for a product to be sold. This therefore has the potential to create an anomaly, such that consumers may buy a plumbing product that satisfies the requirements of the WELS scheme, but cannot be legally installed. This is because consumers may interpret the WELS label on products to also be an endorsement that the products are fit for legal installation and use.

In 2007, the House of Representatives Standing Committee on Environment and Heritage held an inquiry into regulation of plumbing product quality in Australia⁴. In its report – [Managing the Flow: Regulating plumbing product quality in Australia](#) – the committee recommended that the Government establish WaterMark certification as a prerequisite for compliance with the WELS scheme.

3. WELS Regulator Homepage, 'About the Water Efficiency Labelling and Standards (WELS) Scheme', viewed 27 September 2010, <http://www.waterrating.gov.au/about/index.html>.

4. House of Representatives Standing Committee on Environment and Heritage, *Managing the Flow: Regulating plumbing product quality in Australia*, Commonwealth of Australia, Canberra, 2007, viewed 27 September 2010, <http://www.aph.gov.au/house/committee/enviro/regulation/report.htm>.

Financial implications

The Explanatory Memorandum states that there will be no financial impact from this Bill.⁵

Key provisions

Item 1

Subsection 19(1) of the Act states the matters which must be set out in a WELS standard. **Proposed subsection 19(3A)** inserts additional matters that a WELS standard may require of products that must, or are permitted to be registered pursuant to the WELS standard. Specifically, a WELS standard may additionally require either or both of the following:

- that the products comply with requirements relating to plumbing that are contained in a specified document (including the Plumbing Code of Australia, or an Act or regulations made by a State or Territory, for example);
- that a specified type of person or body certifies that the products comply with requirements relating to plumbing that are contained in a specified document (including the Plumbing Code of Australia, or an Act or regulations made by a State or Territory, for example).

Item 2

Proposed paragraph 29(c)(i) repeals the existing paragraph and adds to the grounds upon which a regulator may refuse to register a WELS product, by providing for refusal where the product:

- does not satisfy a minimum water efficiency or minimum general performance requirement that the product is required to satisfy by the WELS standard for that product, or
- does not satisfy a requirement under **subsection 19(3A)**.

5. Explanatory Memorandum, Water Efficiency Labelling and Standards Amendment Bill 2010, p. 2.

© Commonwealth of Australia 2010

This work is copyright. Except to the extent of uses permitted by the Copyright Act 1968, no person may reproduce or transmit any part of this work by any process without the prior written consent of the Parliamentary Librarian. This requirement does not apply to members of the Parliament of Australia acting in the course of their official duties.

Disclaimer: Bills Digests are prepared to support the work of the Australian Parliament. They are produced under time and resource constraints and aim to be available in time for debate in the Chambers. The views expressed in Bills Digests do not reflect an official position of the Australian Parliamentary Library, nor do they constitute professional legal opinion. Bills Digests reflect the relevant legislation as introduced and do not canvass subsequent amendments or developments. Other sources should be consulted to determine the official status of the Bill.

Feedback is welcome and may be provided to: web.library@aph.gov.au. Any concerns or complaints should be directed to the Parliamentary Librarian. Parliamentary Library staff are available to discuss the contents of publications with Senators and Members and their staff. To access this service, clients may contact the author or the Library's Central Enquiry Point for referral.

Members, Senators and Parliamentary staff can obtain further information from the Parliamentary Library on (02) 6277 2404.

Warning: All viewers of this digest are advised to visit the disclaimer appearing at the end of this document. The disclaimer sets out the status and purpose of the digest.