

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

2015 - 2016

Department/Agency: ACCC

Question: SBT 53

Topic: Infinity Cable Recall

Reference: Hansard page no. 124 - 21 October 2015

Senator: Xenophon, Nick

Question:

Senator XENOPHON: In very brief figures, how is the Infinity cable recall going? I know we will be traversing these issues with the particular inquiry in terms of defective building products but, given the community concern about what is happening, I thought it was important to get this out.

Mr Sims: Absolutely. And we are very concerned. Certainly a distinct minority.

Mr Ridgway: The latest records we have from the recalling suppliers is that approximately 40 per cent of the cable is now either identified and scheduled for remediation or has been remediated, which leaves a substantial 60 per cent still outstanding. That is a great concern for us. We have seen—

Senator XENOPHON: So 24,000 homes still have this defective cable?

Mr Sims: Probably more, but there are at least that many planned to be remediated. But yes, that is right.

Senator XENOPHON: There has been a risk assessment done, and there is a high risk of electrocution and fire with these cables.

Mr Sims: Yes.

Senator XENOPHON: That is quite frightening, really.

Mr Sims: Absolutely.

Senator XENOPHON: These are issues that Travis Wacey from the CFMEU has raised with me—and good on him for raising that. I want to know what resources you have in terms of people on the ground to be dealing with this, because it is a huge task. Are there sufficient resources? Do you need to get states involved? I am really worried that we could be seeing deaths in relation to this.

Mr Sims: So are we.

Mr Ridgway: The state electrical safety regulators were onto this issue some 10 months before the ACCC was invited to assist. We are now coordinating a task force of electrical safety, building safety and consumer law regulators across the country—not just the ACCC. There are a number. We have all agreed what the problem is and what we think the solutions are. We are also engaged with the industry suppliers concerned and they are to various degrees assisting us, and that conversation is a live one.

Senator XENOPHON: That is perhaps not good terminology to use—'a live one'.

Mr Ridgway: Sorry.

Senator XENOPHON: Would you mind terribly giving us a further update on notice? I am very worried about this.

Mr Sims: Yes, we will—absolutely.

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Answer:

The ACCC is currently preparing further communication activities to re-alert consumers, tradespeople and suppliers nationally that there is installed cable that needs to be identified and remediated.

NSW is the jurisdiction with the earliest cable installations and is the soonest to face impacts from prematurely brittle cable, predicted to start from mid-2016. NSW received 1,849 kilometres—just slightly less than 50 percent—of the total 3,900 kilometres of cable supplied nationally.

The Infinity cables matter has been addressed by a taskforce of state and territory electrical, building, and consumers affairs regulators that have all devoted resources to the issue. The ACCC itself has two full time staff members involved in the negotiation and monitoring of the recalls, and engagement with the other regulators, suppliers, trades-people and consumers affected by the issue is on-going.

The taskforce also meets with an Industry Reference Group to discuss strategic means of engaging with electricians and builders to ensure that the remediation of the cables is as rapid as possible. These agencies have contributed by alerting their members to the issue, advising them about their obligations under regulations governing their trades, and informing them how to ensure cables are remediated under the suppliers' recalls.

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A table showing cable distribution and remediation to date follows:

Progress made in remediating Infinity Cable as at 6 November 2015

State	Installation period	KM supplied	KM remediated*	KM recovered from warehouses	KM scheduled for future remediation	KM outstanding (% of total national)	Properties made safe
NSW	2010-2013	1,849	31	-	-	1,818 (47 %)	181
QLD	2012-2013	680	26	-	-	654 (17 %)	240
SA	2012-2013	44	0.7	-	-	43 (1 %)	7
TAS	2013	4	0.1	-	-	4 (1 %)	1
VIC	2012-2013	910	14	-	-	896 (23 %)	65
WA	2012-2013	251	0.7	-	-	250 (7 %)	10
ACT	2011-2013	162	6	-	-	156 (4 %)	199
NT	-	0	-	-	-	-	N/A
State not specified	-	-	223	403	761	-	186
TOTAL	-	3900	301 (168 returned) (131 removed from premises)	403	761	2434** (62 %)	889

* remediated is replaced, rendered safe under the recall, or returned to stores

**Cable remediated or recovered for unspecified states/territories has been deducted from total KM outstanding, as has cable scheduled for future remediation.