

8 April 2016

Feedback on the strategies to address NCBPs
GPO Box 2457
Brisbane QLD 4001

Sent via email to: BCQ-NCPSOG@hpw.qld.gov.au

Dear Sir/Madam,

Master Electricians Australia (MEA) congratulates the Queensland government on taking action to address the issue of non-conforming building products and we welcome the opportunity to provide feedback on this important matter.

Master Electricians Australia (MEA) is a dynamic and modern trade association representing electrical contractors. A driving force in the electrical industry and a major factor in the continued success and security of electrical contractors, MEA is recognised by industry, government and the community as the electrical industry's leading business partner, knowledge source and advocate. The organisation's website is: www.masterelectricians.com.au.

The issue of non-conforming building products came to the forefront in 2013 with the nationwide recall of Infinity electrical cables. The delay in issuing a nationwide recall and the widespread sale of the dangerous cable revealed significant flaws in the way recalls are handled in Australia. The incident also demonstrated the need for systems to be put in place to prevent these goods entering the Australian market place. The devastating house fire in Melbourne's North West in December 2015, sourced to a faulty power charger for a self-balancing scooter or hoverboard, was a further reminder of the need for measures to be put in place to address the proliferation of nonconforming products entering Australia.

Overall, we support the recommendations detailed in the report. MEA has long advocated for changes to the system and while our focus has been on noncompliant electrical goods, we believe the same safety measures must be put in place for all building products. Below are our comments on a selection of the recommendations:

Recommendation 4

Provide in-principle support for:

- a. mechanisms that ensure that, where all states and territories prohibit the use of a NCBP, evidence is provided to the Commonwealth enabling proportionate action to be taken based on the risk posed by the product*
- b. an information sharing arrangement where import data collected by the Department of Immigration and Border Protection (for the purposes of reporting, detecting and controlling the movement of goods across the Australian border) can be provided to state and territory regulators to facilitate compliance and enforcement activities in relation to NCBPs*

An information sharing arrangement between the Department of Immigration and Border Protection and state and territory regulators would be a welcome reform to curb the influx of non-compliant building products.

However, the only way to stop consumers and property being at risk from overseas non-compliant building products is to prevent these goods from entering the Australian marketplace in the first place. In much the same way that Customs has procedures in place to deter the importation of drugs and illegal firearms into Australia, building products should be subject to scrutiny at the border to ensure adherence to Australian safety standards.

MEA has previously proposed that Australian Customs work with state and territory electrical safety regulators throughout Australia to put procedures in place that would introduce a quality surveillance system to prevent non-compliant electrical products entering the Australian market place. Electrical articles arriving in Australia would need to hold a certificate of electrical compliance issued by an independent, accredited testing authority. Self-certification by an importer is proving to be entirely unacceptable to ensuring compliance with Australian standards. Australian Customs would then have a ready framework for sampling and auditing imported product to ensure it has appropriate certification.

If any articles are found not to have the required verification of compliance, Customs could impound the products and liaise with the relevant building regulator to determine the next course of action.

This procedure is imperative for electrical goods, given the high safety risks associated with faulty electrical articles and MEA continues to advocate for the implementation of such a system. Faulty building products can pose a similar risk to public safety if they are not produced to Australia's stringent safety standards. Items requiring installation by a licensed builder, such as cladding, glass and balustrading, if faulty, have the potential to cause grievous harm to the public.

A clear process must be put in place as a matter of urgency to ensure that suppliers are adhering to Australia's safety requirements. Any attempt by a supplier or importer to fraudulently apply the Australian safety certification must be met with the full force of the law to deter others from attempting to circumvent the system and release faulty products for sale.

Recommendation 7

Note the value and importance of existing building industry initiatives, such as industry third party certification schemes, in identifying instances of building product non-conformity.

MEA has long been active in raising awareness of non-conforming products, formulating strategies to address the flaws in the system and liaising with government and regulatory bodies to develop a plan of action for these issues. This began with our advocacy for the Electrical Equipment Safety System and has followed with an active campaign regarding the Infinity Cable recall.

Register of products sold

MEA recommends the introduction of a register of building products. Under this system, sellers of building products would be obliged to maintain a register of those products that require installation by a licensed tradesperson, namely those products that form part of a building structure. The register would be used to contact purchasers in the event of a product safety recall.

Introducing a register would assist regulators to identify the location of any equipment of this type that was later subject to a recall. This would facilitate a ready means to contact those at risk to ensure they take the steps to remove the product from their homes.

A mandatory system of this type would also provide more effective support to suppliers when they are required to withdraw unsafe or non-compliant product from the market.

Additionally, requiring purchasers to provide their details could act as a deterrent to those who are intending to perform unlicensed building and electrical work.

Raising awareness

Industry can continue to play an important role in raising awareness about faulty product. Through MEA's member, industry and media communication channels we have been able to reach thousands of industry participants and the wider public about product safety concerns.

In this respect, it is imperative that regulators have a ready means to share information with industry bodies regarding noncompliant product. Industry bodies have established channels to rapidly communicate with industry and are a trusted knowledge source for many. The Infinity Cable incident in 2013 demonstrated the flaws in the current product recall system in Australia. Fair Trading NSW was the first regulator to issue a recall of the dangerous cable in October 2013. Ten months later, on 27 August 2014, the Australian Competition and Consumer Commission announced a national safety recall. In the meantime, tens of thousands of Australians had purchased these cables, completely unaware of the ticking time bombs in their homes.

Intelligence from industry participants, who are in a prime position to identify patterns of faulty product, would be invaluable to halt the continued sale of non-compliant products. It is recommended that government introduce a formalised chain of communication for industry bodies to pass on concerns about faulty building products to regulators.

Other recommendations

Product tracking

Manufacturers, importers and suppliers of building products supplied in Australia must have processes and procedures in place to enable the tracking and tracing of product which is found to be faulty and/or non-compliant to the relevant Australian Standards.

Mandatory recall insurance

Ideally, the manufacturers, importers and suppliers of faulty building products would have a process in place to fund the removal and replacement of any faulty equipment.

Unfortunately, this is not always the case, with companies often going into liquidation after a product they have manufactured, imported or supplied is identified as being unsafe.

Mandatory recall insurance would give security to consumers that any faulty or non-compliant products purchased are removed and replaced without delay.

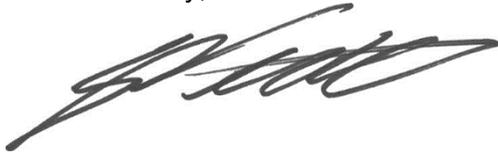
Safety switches and smoke alarms

It is inevitable that non-compliant building products will still be made available for sale in Australia for the foreseeable future, putting the lives and properties of householders at risk. In order to better protect the public from some of the safety risks associated with faulty building products, we recommend that the Queensland government commit to an expansion of safety switch laws, requiring the phase in mandatory fitting of safety switches to all safety switch capable circuits in all Queensland homes. We further recommend that the Queensland government implement changes to smoke alarm laws so that all residential accommodation would need be fitted with hard-wired and interconnected smoke alarms.

Conclusion

MEA would be eager to contribute to any further discussions on the development of strategies related to non-conforming products.

Yours faithfully,



Gary Veenstra
State Manager - Queensland