

Australian Government response

**House of Representatives Standing Committee on Environment
and Heritage**

House of Representatives Committee Report

Managing the Flow: Regulating plumbing product quality

Report on the regulation of plumbing product quality in Australia

September 2007

Managing the Flow: Regulating plumbing product quality in Australia

Recommendation 1

The Committee recommends that the Department of the Environment and Water Resources, in consultation with industry and the community, take immediate action to progress their investigation and to implement appropriate minimum water efficiency standards for all plumbing products under the WELS Scheme.

Agreed. In response to a request from the Environment Protection and Heritage Council, the Department of the Environment, Water, Heritage and the Arts (DEWHA) is undertaking a program of work to examine the introduction of minimum water efficiency standards for water-using products. Consideration is also being given to expanding the number of products covered by the Water Efficiency Labelling and Standards (WELS) scheme.

DEWHA is examining the introduction of minimum water efficiency standards for dishwashers, taps, showers, urinals, combination washer/dryers (dryer mode) and clothes washing machines and raising the current minimum water efficiency requirement for toilets. DEWHA will also consider establishing minimum water efficiency standards for any new products that may be introduced to the scheme. Products currently being assessed for inclusion in the WELS scheme are evaporative air conditioners, instantaneous gas hot water heaters, hot water recirculators and domestic irrigation controllers.

Three Regulation Impact Statements will be released for consultation in relation to these proposed changes to the WELS scheme. The first was released in 2008 and a further two will be released in 2009.

Recommendation 2

The Committee recommends that the Australian Government act to make the necessary legislative changes to establish WaterMark Certification as a prerequisite for compliance with the Water Efficiency Labelling Standards Scheme.

Agreed in principle. DEWHA is currently examining legal mechanisms, which would enable the Minister to make a determination to require third party certification (such as WaterMark) as a prerequisite to WELS registration.

DEWHA's submission to the inquiry highlighted that it is not an appropriate role for the Commonwealth to take responsibility for broad plumbing product standards. This position remains, and it is intended that any legal amendments should be framed to ensure there is no inappropriate expansion of Commonwealth responsibility beyond water efficiency. A change in the determination must also be agreed with state and territory governments in accordance with the *Water Efficiency Labelling and Standards Act 2005*.

In the interim, the Department has updated the WELS website to advise consumers and applicants that they need to separately check state and territory government regulatory requirements for plumbing products. Similar advice is included in the new WELS registration database which was made available on-line on 5 December 2008.

Recommendation 3

The Committee recommends that the Department of the Environment and Water Resources examine its current enforcement practices for the WELS Scheme.

Agreed. DEWHA has reviewed enforcement arrangements, and actions taken as a result of the review include increasing the number of field inspections and enabling inspectors to issue penalty infringement notices for breaches. This escalation to penalty enforcement commenced 1 September 2008 and is consistent with the previously announced intention of taking an information/education approach in the early stages of the scheme before implementing enforcement measures.

Recommendation 4

The Committee recommends that the National Plumbing Regulators Forum take a lead role in exploring, in consultation with government and industry stakeholders, options to improve the audit and enforcement profile for ensuring plumbing product quality in Australia.

Noted. The Australian Government is not represented on the National Plumbing Regulators Forum (NPRF). The NPRF is a forum that is well placed to explore options to improve plumbing product quality in Australia.

Recommendation 5

The Committee recommends that COAG explore options for constituting a national coordinating body that can take responsibility for improving the coordination and cohesion of regulatory arrangements for controlling plumbing product quality in Australia, including the mandatory schemes, relevant standards and their application across jurisdictions.

Noted. The Australian Government recognises the importance and value of moving toward nationally consistent plumbing regulations that are also consistent with Australia's World Trade Organization obligations.

At its 3 July 2008 meeting the Council of Australian Governments (COAG) agreed to a number of initiatives as part of the Business Regulation and Competition Working Group (BRCWG) work plan that are relevant to this recommendation. This included the development of a national licensing system, initially applied to selected trades including plumbing occupations. COAG also agreed to the development of a National Construction Code on building, plumbing, electrical and telecommunications standards and has asked BRCWG to report on options for its implementation.