

13 July 2018

SOG Secretariat C/o Building Industry Policy Department of Housing and Public Works GPO Box 2457 BRISBANE QLD 4001

Dear Senior Officials Group

Master Builders Australia welcomes the opportunity to engage and provide feedback to the Senior Officials Group (SOG) discussion paper on options for permanent labelling systems for aluminium composite cladding products (ACPs).

Master Builders is the nation's peak building and construction industry association representing all three sectors, residential, commercial and engineering construction, including the top 100 construction companies.

Summary

Master Builders supports the development of a more effective system of labelling for high risk non-conforming building products, combined with consistent information in product technical statements. ACPs are an appropriate product to start testing an approach that could be adopted for high risk building products.

In deciding what information should be put on labels, it is important to ensure that regulations stand the test of time and can respond to new products which may present the similar risks as ACP's do today. It is unlikely that a simple label will be able to convey all pertinent information, so it is important to link the label, possibly through barcoding technology, to an associated product technical statement.

Any change in the labelling of ACPs and other high risk products will have a cost impact. Master Builders would therefore recommend a cost benefit analysis (regulatory impact statement) is undertaken to have a clear understanding of what this impact might be.

Discussion Paper - Preferred Options

Master Builders preference is options two and four in the discussion paper to label ACP's through a permanently etched stamp/motif on the non-exposed panel surface; and to continue the work underway through current reviews and reform processes.



In respect of option four, a number of recommendations in the Building Confidence Report¹ complement options identified in the labelling discussion paper and it is important that those recommendations in the Building Confidence Report are implemented in addition to improving labelling. This includes education programs that assist the industry to better understand the regulatory regime, such as initiatives on product use; as well as documentation and compulsory product certification system recommendations in the Building Confidence Report.

In the development of a permanently etched stamp or motif, Master Builders recommends that the label is linked to a product technical statement which provides more detail on requirements for the product to comply with what's prescribed in the National Construction Code.

Discussion Paper - Other Options

Master Builders is less inclined to support option one as a standalone provision because it does not provide additional checks and balances during construction. More clarity on the integrity of the product is required for all parties during and post construction and option one does not provide this as a standalone option. Option one however, implemented with option two would address concerns around clarity and could be considered as a broader package but would add an additional layer of cost.

Master Builders considers the covert marking option, proposed in option three, is less practical and would not have our support. This is because more transparency is needed and obvious forms of labelling are required by all parties in the construction and supply chain.

Further comments - Option 2

Additional comments in support of developing option two are outlined below.

Improving labelling would put the onus back on the manufacturer to ensure the specified product is what's delivered to the building site and that it's the same product that was tested as part of the wall system (AS5113).

Placement of the etching will be important. Master Builders recommends the etched or stamped motif be placed on packaging and the back of the ACP panel, so not to impact the aesthetic quality of the building product. It should also be in a number of places to account for panel folding placement, such as each corner and the centre of the panel. This will make checking the cladding product at a later time a relatively simple task of removing a few panels.

The motif or label should be minimal but include necessary compliance information such as:

- The building type the product is rated to be safe on A, B or C as defined by the NCC.
- o The proportion of polymer A2 (when tested to European fire certification usually have 3 per cent or less of polymer), FR (contain some fire retardant in the core and typically contain around 30 per cent polymer) or PE (core close to 100 per cent polymer).

Peter Shergold and Bronwyn Weir, Building Confidence: Improving the effectiveness of compliance and enforcement systems for the building and construction industry across Australia, February 2008.



Manufacturer name and log.

Master Builders would support a national classification scheme for ACPs to standardize the motif of label.

Testing results should accompany the ACP through the supply chain in a product technical statement that could be linked to a barcode on the label and available in paper form with the purchase of the product.

The technical statement should include information identified in the ABCB technical statement template in its 2018 Evidence of Suitability Handbook. This includes:

- Company name and details
- Manufacturer name and contact details
- Unique Product Technical Statement number, version and date of issue
- o Name and description
- o Application and intended use
- o Compliance with the NCC statement of performance requirements and/or deemed to satisfy provisions
- Limitations of use
- o Conditions of use

The two complementary actions (permanent labelling and provision of required information) are needed to provide more consistency and clarity on the necessary product information required for compliance with the NCC.

There will be a cost to do this but in the long run this cost is less than what would be required to rectify construction of a faulty wall system. It is also important in keeping people safe. There is technology readily available to incorporate this option into the manufacturing and labelling process.

Master Builders consider the NCC is the primary tool to address product requirements for design acceptance and building work. The way products are presented in the NCC however could be improved through a standalone section that addresses product requirements.

Conclusion

Master Builders believes option two that is linked to a mechanism that produces required information for product technical statements is the best of those outlined in the Discussion Paper.

This option initially might be tested on ACPs with the capacity to be extended to other high risk products. Labelling should apply to all cladding products not just ACPs, with the exception being those deemed non-combustible under the NCC. The response needs to be able to stand the test of time and be able to address new products that may present a risk.



A process for testing the cost of transitioning to a new labelling system should be implemented initially to work through teething problems. Before proceeding with any option we also urge government to conduct a full cost benefit analysis (regulatory impact statement) to ensure that benefits out-way proposed costs.

Master Builders appreciates the opportunity to engage with the SOG on this work and is available to discuss further if required.

Yours sincerely

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