

### Standards Australia

Standards Australia is an independent, non-government, not for profit organisation. We are the nation's peak non-government standards development organisation. The work of Standards Australia and our contributors from industry, government and the consumer sector enhances the nation's economic efficiency, international competitiveness and contributes to a safe and sustainable environment for all Australians.

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## **Executive Summary**

The Building Ministers' Forum (BMF) Communique of August 2018<sup>1</sup> identified the development of a permanent labelling system for Aluminium Composite Panels (ACPs) in Australia as a priority to prevent the use of non-compliant building products.

Following further work of the BMF Senior Officers' Group, the February 2019<sup>2</sup> BMF Communique outlined the intention for Standards Australia to develop a technical specification on the permanent labelling of ACPs.

Prior to submission of a proposal from the BMF's Senior Officers Group for this technical specification, Standards Australia is seeking advice from industry and other stakeholders on the proposed approach for labelling of ACPs.

Standards Australia is supporting the BMF proposal process and inviting written submissions on:

- 1. Data or information about ACPs that should be recorded and communicated
- 2. How this data or information could be presented (e.g. what type of display technology could be used)
- 3. A valid estimate of the costs and benefits for each suggested approach.

Building Ministers Forum, 10 AUGUST 2018 – COMMUNIQUÉ, https://www.industry.gov.au/sites/default/files/August%202018/document/pdf/building\_ministers\_communique\_- august\_2018.pdf (accessed Feb 2019)

<sup>2</sup> Building Ministers Forum, COMMUNIQUE – 8 FEBRUARY 2019, https://www.industry.gov.au/sites/default/files/bmf-communique-8-february-2019.pdf (accessed Feb 2019)

### Background

The 2014 fire at the Lacrosse apartment building in Melbourne's Docklands, the tragic Grenfell fire in London in June 2017 and the more recent Neo200 fire have highlighted the fire safety risks arising from the non-compliant use of external cladding, particularly aluminium composite panels (ACP) with a 100% polyethylene (PE) core. These events reinforce the importance of continuing the work already underway in the states and territories to implement the recommendations in the 2018 BMF commissioned report, Building Confidence – Improving the effectiveness of compliance and enforcement systems for the building and construction industry across Australia report by Professor Peter Shergold and Ms Bronwyn Weir.

The 2017 Senate Economics Committee Inquiry into Non-Conforming Building Products noted the risk of actions such as product substitution, from installing slightly inferior, cheaper products to conscious, deliberate product substitution that may compromise the health and safety of both workers and building occupants, especially when supervision and enforcement is lacking. Since the Senate Economics References Committee Inquiry released its interim report on aluminium composite cladding, state and territory building administrations have made various updates to laws on nonconforming and high-risk ACP products.

The BMF, comprised of Commonwealth, state and territory Ministers responsible for building matters, recognised the concerns regarding external cladding on buildings in 2017. The BMF tasked the Senior Officers' Group (SOG), comprised of senior officials from the Commonwealth, states and territories that support the BMF, to develop a discussion paper³ regarding a permanent labelling system for ACP products to prevent the use of non-compliant building product substitution.

The discussion paper explored a number of options to address the problem of non-compliant building product substitution, including:

- Option 1 An information plate permanently attached to a high rise building
- Option 2 A permanently etched or stamped motif or permanent label on an external facing façade panel
- Option 3 Use of covert data marking technology
- Option 4 Maturation of current reviews and reforms.

The outcomes of public consultation on the discussion paper on a permanent labelling system for ACP products was discussed at the 10 August 2018, BMF. Ministers acknowledged that an immediate response to the permanent labelling of ACPs is critical, therefore agreed to proceed with a lower-consensus technical specification, and deliver quality with speed to market in mind.

<sup>3</sup> BMF Senior Officers' Group, June 2018, https://www.industry.gov.au/sites/default/files/July%202018/document/pdf/permanent-labelling\_system\_for\_acp\_products-discussion-paper.pdf (accessed Feb 2019)

## Labelling system for ACP products

There is no panacea or 'silver bullet' to resolve these complex problems; however, there is a need to change status quo. The current focus is on addressing product substitution, a key challenge for the building and construction industry.

As noted by the BMF Senior Officers' Group Discussion Paper on permanent labelling system for ACP products, several issues have been considered in developing the current options, including:

- prevalence of product substitution
- current ACP uses and labelling practices
- types of permanent labelling
- compliance responsibility points
- mechanisms to implement a permanent labelling system
- relevant regulatory enforcement powers and
- other product labelling schemes.

A permanent labelling system for ACP products when used on buildings may:

- ensure builders and building certifiers/surveyors are aware of ACP materials used
- enable building regulators to more easily identify and investigate ACP products
- give building owners and occupiers confidence and assurance regarding the installed ACP and that the building is NCC compliant
- enable fire authorities to quickly locate and understand the installed ACP so, in the event of a fire, be able to adjust their fire and evacuation response accordingly
- enhance transparency in the supply chain and building process and reduce product substitution for ACP products during construction.

Potential impacts for government, industry and building owners may include:

- supply issues and market disruption
- increased business compliance costs, particularly for manufacturers and installers
- cost to government to develop, implement, investigate issues and enforce compliance.<sup>4</sup>

<sup>4</sup> BMF Senior Officers' Group, June 2018, https://www.industry.gov.au/sites/default/files/July%202018/document/pdf/permanent-labelling\_system\_ for\_acp\_products-discussion-paper.pdf (accessed Feb 2019)

# Standards solutions for labelling

Standards play a key role in supporting operation between technologies, providing consistent frameworks for design and implementation, and promoting safety. Marking, labelling and packaging are important aspects related to product manufacturing and procurement that frequently need a standardised approach, particularly in safety critical applications.

The benefit of standards in the labelling of ACP products relate to providing the community with information on the inherent characteristics of the products – ideally leading to confidence in quality and safety performance. It is also important to consider the risks of solely relying on labels for indications of product compliance. Whilst certain building products might meet particular standards, it does not mean that the product can be used in any way for any purpose. Labels work well when used as a mechanism within a robust product compliance ecosystem.

Labels generally appear in the form of written text or numerical statements, which may be required but are not necessarily universally recognisable (versus marking, which is generally consistent across the product line). Labels typically indicate more specific information about a product, such as measurements, hazard warnings, date of manufacture, or an indication of materials that may be found in the product.

If a standard or technical specification requires the application of a label, the document should also specify the nature of the labelling and how it is to be attached, affixed or applied to the product or its packaging. Symbols specified for marking should also conform to relevant documents published by Standards Australia, ISO and IEC<sup>5</sup>.

<sup>5</sup> ISO/IEC Guide 23:1982 Methods of indicating conformity with standards for third-party certification systems; ISO/IEC 17050-1:2004 Conformity assessment -- Supplier's declaration of conformity -- Part 1: General requirements; ISO/IEC 17050-2:2004 Conformity assessment -- Supplier's declaration of conformity -- Part 2: Supporting documentation

## Request for Feedback

There has already been an identified need to address labelling of ACP products to prevent product substitution. This discussion paper is intended to seek further advice from industry, government bodies, research groups and the community about the specific approach. Advice is particularly sought from companies, research institutions and others who are already exploring new technologies or approaches to address permanent labelling of ACPs.

Standards Australia, in its role as the peak standards development organisation, invites written submissions on:

- 1. Data or information about ACPs that should be recorded and communicated
- 2. How this data or information could be presented (e.g. what type of display technology could be used)
- 3. A valid estimate of the costs and benefits for each suggested approach.

When submitting feedback, respondents are asked to identify the company or organisation represented (if any) and consider compiling responses from others within that same organisation.

Additionally, please advise if the organisation/company name is able to be published as a participant in this process, and similarly if the submission as a whole may be made publically available.

Please send your feedback to <u>SEM@standards.org.au</u> by 1 April 2019.

## **Next Steps**

The feedback received by stakeholders will feed into the proposal process underway by the BMF's Senior Officers' Group. This discussion paper will seek to establish what information is needed in an ACP labelling technical specification to ensure safety, efficiency, and consumer confidence. The views of all relevant stakeholders are sought and in order to determine where the priorities lie, and what next steps need to be taken to achieve optimal outcomes for the industry and the broader community, through a standards-based approach.

As with all standards development projects undertaken by Standards Australia, the project proposal submitted by the BMF would need to meets Standards Australia's proposal quality criteria, including:

- 1. demonstrating Net Benefit to Australia
- 2. having a clear project scope
- 3. having the broad support of relevant affected stakeholders from industry, government, consumer and other stakeholder groups.

#### Contact



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