[Received by email 22/5/08]

Thank you for the extended opportunity to provide you with some factual information that I hope will be of benefit for the draft paper.

Failure of Imported Plywood

The Engineered Wood Products Association of Australasia (EWPA) have provided a number of documented cases of plywood failures which support the attached Newsflash from the Queensland Government – Building Codes Queensland. I have also attached one such documented case – Simon Dorries of EWPA can provide many more. These are very large electronic files and for practical reasons I have not attached them all.

The following is an overview from Simon Dorries - General Manager, Engineered Wood Products Association of Australasia. In Simon's opinion this demonstrates that the current system, for regulating product standards or claims of compliance to product standards is ineffective and seriously flawed.

"My understanding of the current situation is that industry relies on the ACCC and the Trade Practices Act to ensure that product claims are not misleading or deceptive. The problem is that the ACCC is under resourced and not interested in chasing small manufacturers and importers especially when their focus is very much on the big end of town. So, who does the policing or does anyone really care! It is left to private individuals and corporations to take action themselves in the Federal Court. The EWPAA has such action on at the moment and it is incredibly expensive , time consuming and the outcomes are never certain. Our budget for this action is 25% of our annual income which is unsustainable and such a drain on resources that we are unlikely to take such action again. The reality is that due to the total lack of surveillance, policing etc, it is too incredibly easy to make false and misleading claims and never get caught.

The question is how do we change this??

EWPAA members export plywood and LVL products to both Japan and the US. In both countries there are mandatory product quality regulation that products must meet. The primary purpose of these regulations is to protect public safety and the overall public good.

In Japan, for structural plywood and products to be used in construction they must be certified to Japanese Agricultural Standards. This certification is mandatory under Japanese legislation and uncertified products are almost unsaleable.

In the US, LVL products must be certified as Code Compliant. Essentially, to meet US building regulations products must undergo rigorous initial and on-going testing and surveillance.

To misuse certification marks in either Japan or the US is a criminal offence and is punishable by incarceration. Australia has no such regulations.

Australia does have a highly developed accreditation system. The Government appointed overseer of accreditation in Australia is JAS-ANZ (Joint Accreditation System of Australia and New Zealand). JAS-ANZ was established jointly by the Australia and NZ Governments in the mid 1990's for the purpose of regulating and bringing credibility to the accreditation industry

and to ensure that Australia was not behind in a quality vacuum. JAS-ANZ has done a tremendous job as there is no doubt that Australian manufactured materials are amongst the most reliable however, there has been no mandatory requirement that products carry independent accredited product certification. As mentioned previously, this is very unlike our major trading partners.

This has created a situation where due to the lack of mandatory certification, low cost inferior products with misleading claims of compliance appear to have equal access to the Australian market as Australian products which carrying the additional costs of maintaining credible certification. The building industry is price sensitive and there is little doubt that it is almost impossible successfully market a genuine quality safe and reliable Australian made product against misrepresented lower cost imported materials where both make the same claim of compliance. What we need is a system in place to level the playing field.

What I suggest is some form of regulation along the following lines:

1. Groups of products be identified as "high risk". These would be products where failure could lead to injury or death. Examples would be structural steel, steel reinforcing, structural timber, structural plywood, formwork, scaffold planks, glass windows etc.

2. Products classified as high risk need some form of mandatory accredited product certification (such as the US and Japan). This product certification would need to include regular laboratory testing, factory audits and market place surveillance. A system along these lines is termed an "ISO Type 5" system.

As stated previously, many Australian and overseas producers will have this already. At least the JAS-ANZ accreditation frame work is in place and manufacturers obtain certification quickly.

3. A system be established where certified manufacturers are registered. This actually already exists via the "JAS-ANZ" register.

4. A surveillance program be put in place to ensure conformance. Possibly, this could carried out by Building surveyors, Unions, or even safety inspectors as misrepresented structural materials are a genuine safety issue. Essentially, products without accreditations marks raise some sort of alarm.

I am not too sure where such legislation would fit. Possibly TPA, BCA, Workplace health and Safety, State Legislation, or all of the above?

The reality is I believe we have a serious issue with the quality of Building materials in Australia and something needs to be done. I am more than happy to discuss further."

The Australian Window Association have also expressed similar concerns and are in the process of providing some documentary evidence. I will forward them to you as soon as I receive them.

Kind Regards

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