



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



THE SENATE

MATTERS OF URGENCY

Building and Construction Industry

SPEECH

Tuesday, 20 March 2018

BY AUTHORITY OF THE SENATE

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Speaker Colbeck, Sen Richard	Question No.

Senator COLBECK (Tasmania) (16:35): I rise to speak to this motion not necessarily because I support it but because I think it deserves to be debated. It is an issue of concern for someone who spent 25 years working in the construction industry and who has seen the results of this at a practical level, as Senator Georgiou has expressed he has himself. In fact, we're probably rare beasts, alongside Senator Marshall, who was an electrician—is an electrician? I'm not sure whether he still has his licence.

Senator Marshall: I still am; my hourly rate's much higher now!

Senator COLBECK: I'm sure, appropriately, Senator Marshall. I will go to one of the points that Senator Carr talked about. I'm not sure, to be honest, whether he was actually arguing for the motion or against the motion at the time because he was talking about wanting to ban products but then not wanting to ban products. He was talking about regulation but in different forms or another. But I do note the work that he's done in relation to the number of inquiries, particularly around cladding. I have to say I disagree with him on the cladding ban too, because the core element of this whole debate is ensuring that products that are used in construction, whether they be for residential, commercial or industrial, are fit for purpose.

Australia has, as a number of senators have said already, a standards based construction code. One of the really good things that has happened in recent years is that that construction code has been put online and is freely available for everybody. Once upon a time, that wasn't the case. When I was in the industry you had to buy it and then maintain it at currency. It wasn't necessarily easy, because one of the elements of our federation, as Senator Macdonald indicated, is that there are different rules and regulations in varying states, which can be an issue. We have progressed significantly over the last couple of decades not only with common recognition of qualifications within the construction industry for various trades but also with bringing some of the standards that exist into the national code.

Senator Georgiou, if I were a taxpayer from Western Australia who had contributed to the hospital, for example, or to the stadium, I'd be pretty bloody angry that the circumstances that arose in those places actually occurred. I can recall, as a very, very small contractor in the early nineties, when the big guys in the construction industry in this country decided they'd bring in quality assurance. One of the reasons for bringing it in was that they thought that nobody else could provide it as well. They were looking for quality assurance to be a competitive advantage for them in the marketplace with key customers, particularly government, that nobody else could offer. They would provide that assurance as part of their system of offering design-and-construct packages, particularly to government and to large corporate clients, as to how their project was going to comply not only with the specification but also with the construction codes.

One of the genuine questions that I have in this broader debate is: what is going on with that process? Who is actually properly operating their quality systems and the compliance that should fit within those, and then checking those before a contractor goes on to the next project? If I were in the government of Western Australia, I'd be going back through the systems of the people who were responsible for various elements of those particular projects to see where they went wrong.

Senator Carr talked about the issue around substitution, and I think Senator Georgiou did also. The bane of my existence in competing in the construction industry as a contractor was knowing that there were a set of specifications provided, particularly when you were dealing with a commercial project, and somebody wasn't providing, in particular, materials that were compliant with the specifications. Again, the specifications are written in a way that refers back to compliance with the standards. So those sorts of things that you talked about raise for me a question about the system: who's looking at that process of compliance when considering the next project or the next tender?

Senator Georgiou mentioned the issue of lead in fittings. That was taken out of the Australian system in 1989. The requirement is that fittings be lead free. So here we are, decades later, with a problem. If someone's going to provide a counterfeit product, that creates a particular problem in itself—and that, in my view, is a criminal act in more than one way. There are already rules, regulations and laws in place that deal with that. If you're providing a counterfeit product into the market, if it's not as you present it, it breaches not only consumer law but also other laws in respect of potential safety and a number of other things.

Like Senator Carr, I've had representations around glass. I've had representations around plywood. I've had representations around steel. I've had representations around pipework for fire systems, and there have been some incidents—let's not call them 'famous'; let's call them 'infamous' incidents—where, particularly in respect of fire systems, the pipe that was provided wasn't in compliance with the Australian standard required, and it burst. It's been a significant expense to people who are looking to access their building, but also to other contractors through the system. Having also looked at some projects in respect of trying to work out where the fault lay, I think it's a complex and difficult matter.

I think the work that is being done, through the body that looks after the national consumer code, to ensure that qualified, competent practitioners are engaged throughout the construction process is very important because, as I said earlier, this is about ensuring that materials are fit for purpose. There's no point putting a 10-millimetre galvanised bolt into a machine that requires something that has high-tensile steel in it. It's going to fail.

That's what the standards are there for. That's what the certification processes are supposed to be there for. That's what the specification processes are there for. In circumstances where you've got an architect and an engineer working on a project, part of their job is to ensure that the products that are going into the building are as they have specified. For an engineer, their job is to design a structure such that it's structurally sound, and it's also part of their job to ensure that it's built to that standard, particularly if they are employed to do that, rather than just do the initial design. But there should be a process of ensuring that that's done, and the quality assurance system that I talked about earlier is certainly part of that process. But, in respect of other products that perhaps are not so much structural but part of the fit-out process, it's certainly up to the architects or the supervising agent to ensure that those products are what they specified they were. Substitution in the industry is not a new thing. I can recall submitting tenders and being required, if I wanted to put a substitute product in, particularly in government circumstances, to justify the fact that it was at least equivalent to the product in all aspects to the one that was specified in the specification.

One of the real concerns I have in this current debate is actually about compliance and—as Senator Carr said, and I agree with him—enforcement of the system. It's all very well, though, for Senator Carr to try and blame the Commonwealth government for this, but we do live in a federation of states and there is a division of powers. Quite frankly, from my perspective, those who are responsible for managing those things should manage those things. They shouldn't be passing it off to one level of government or another. One level of government shouldn't need to come in over the top of the other. The responsibilities are there for a purpose, and they should be complied with, in my view.