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Inconsistency on cladding? Blame the states, Industry Minister says

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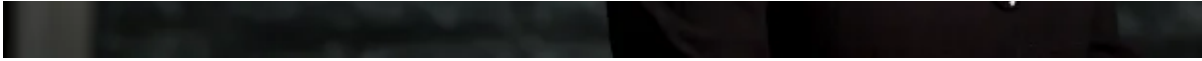


Australia's disjointed responses to building compliance – and over combustible cladding, in particular – will only be resolved when state and territory governments choose to work co-operatively, newly reappointed federal Industry Minister Karen Andrews says.

The Commonwealth had no power under the constitution to regulate building and construction and even though building industry practitioners, suppliers and owners face widely varying rules in different states, the lack of a co-ordinated response was up to the states, Ms Andrews said.

“The states and territories have chosen in the past to not accept the support offered by the Commonwealth in respect of combustible cladding,” Ms Andrews told *The Australian Financial Review*.





Industry Minister Karen Andrews says the lack of a co-ordinated response over building compliance was up to the states. **Alex Ellinghausen**

At the last federal-state Building Ministers Forum meeting in February, [she proposed Commonwealth funding to help the states implement recommendations of the Shergold-Weir report](#), a key blueprint for sweeping industry change much wider than cladding, that they had all accepted.

“That was rejected by the states. Why the states don’t want to work co-operatively is a very good question.”

The *Financial Review* last week reported that the lack of a co-ordinated response by states and territories meant building owners in Ms Andrews’ home state of Queensland have to replace cladding on their buildings – at an estimated cost of \$4 million – because the state government measured combustibility by a standard that industry insiders called “misleading”.

The same panels would be allowed in NSW, Victoria and Tasmania, which require a standard that focuses more on fire safety of a wall than letter-of-the-law compliance with one section of the code.

Different arrangements

It’s a headache for industry.

“We’ve got five different arrangements in place for wall cladding right now,” said Kristin Brookfield, the Housing Industry Association’s chief executive for industry policy.

“Not only are the states creating different rules to each other about what is combustible, none of those rules are consistent with the National Construction Code. They’re harsher than what the code allows.”

While standards were set by the federal government’s Australian Building Codes Board each state sets its own regulations enforcing the code.

It left materials suppliers unwilling to develop new products, created uncertainty for building certifiers and surveyors who had to interpret whether the rules allowed for certain designs or materials, and it also left consumers at a loss about whether their building was safe or not, Ms Brookfield said.

The HIA wants the ABCB to be upgraded to an independent statutory authority that could oversee building nationally – a move that would likely meet strong resistance from the states.

“If we were to move to an independent statutory authority the board would manage the code, it could be given scope to manage administration – that’s a massive leap forward,” Ms Brookfield said.

Ms Andrews said she was not in favour of reforming the ABCB and it was up to the states.

Reforms not happening

Property Council of Australia chief executive Ken Morrison said that while state and territory building ministers had agreed in February that wherever possible jurisdictions would adopt reforms consistent with those in place or proposed in other jurisdictions, that hadn’t happened.

“The [implementation plan](#) released after the last BMF meeting is really more a collection of disparate state and territory responses without a co-ordinated approach to implementation of more uniform standards,” Mr Morrison said. “This is a more important issue than that.”



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