



Operation of the *Water Efficiency Labelling and Standards Act 2005*

This annual report is prepared in accordance with section 75 of the *Water Efficiency Labelling and Standards Act 2005* (WELS Act). It covers the operation of the Act from 1 July 2008 to 30 June 2009.

Purpose of the Act

The WELS Act came into effect in March 2005. The Water Efficiency Labelling and Standards (WELS) scheme is a national regulatory system administered by the Australian Government on behalf of all state and territory governments. The scheme is administered by the department.

The scheme is funded from industry registration fees and contributions from federal, state and territory governments. Industry must register products that come under the scope of the scheme, with the WELS Regulator (the Secretary of the department).

Since 1 July 2006, products identified under the WELS scheme must be tested for their water efficiency. For sales in Australia, they must display a water efficiency rating label. Products identified under the scheme are:

- showers
- dishwashers
- clothes washing machines
- lavatory equipment
- tap equipment
- urinal equipment, and
- flow controllers (registration of flow controllers is optional).

No amendments were made to the Act during 2008–09.

Operational aspects of the Act

Since 1 July 2005, over 11 900 product models have been registered under the scheme. The number of products registered in 2008–09 was 1676.

In December 2008 the WELS online registration system was replaced with a new specific WELS scheme system. The system is designed to streamline applicant and assessor processes, so that applications are correct before submission and the time taken to register products is as short as possible. It allows improved management of user information and brand identification, provides for increased automatic field validation, and includes in-house reporting functions.

Intergovernmental agreement and declarations

In March 2005, Environment Protection and Heritage Council ministers signed an agreement which outlined the roles and responsibilities of jurisdictions for the implementation of WELS. Each state and territory government has passed legislation to ensure that the scheme applies consistently within Australia.

Determinations and standards

The Act provides that the minister may determine the WELS standard that will apply to products under the scheme. The Water Efficiency Labelling and Standards Determination 2007 specifies that the WELS standard is AS/NZ 6400:2005 Water Efficient Products—Rating and Labelling, as reissued incorporating Amendment No. 3.

In 2008–09 the department worked as a member of Standards Australia Committee WS-032, to review aspects of AS/NZ 6400:2005. Amendments to the standard were balloted in June 2009 and are likely to come into operation in early 2010–11. The amendments affect the requirements for testing of some products. In particular, they will allow taps and showers designed for installation where there is low water-pressure, to be tested at an appropriate pressure and given a meaningful water efficiency star rating.

Communication

During 2008–09, the department's Community Information Unit received 634 telephone calls on the WELS 1800 number. In addition, WELS staff provided individual assistance to product manufacturers and suppliers, particularly giving guidance on product registrations, through phone enquiries and online.

The WELS website was updated to include links to research reports published as part of the possible further development of the WELS scheme. In December 2008 a stakeholder forum was

held to advise key stakeholders of progress with the WELS scheme, areas of possible expansion of the scheme and opportunities for their involvement.

Market research was undertaken in mid 2008, to test consumer awareness of the WELS scheme and the use of water efficiency labelling in decision making. In November 2008 market research of plumbers and plumbing products was undertaken, to assess plumbers' awareness of the scheme, as well as their influence in recommending and using WELS rated products.

Compliance activities

Compliance activities during 2008–09 focused on informing suppliers of their obligations and assisting them to become WELS compliant. A program of visits by WELS inspectors to retail outlets was undertaken, building on visits undertaken the previous year. The program included regional centres as well as capital cities.

The department undertook compliance activities throughout the year, based on the investigations undertaken by WELS compliance officers, or in response to allegations made to the WELS Regulator. The department assessed and prioritised all allegations for possible action in accordance with its compliance and enforcement policy.

Freedom of Information

One request was received under the *Freedom of Information Act 1982*. The request related to an investigation into an allegation of non-compliance.

Committees

The WELS Advisory Committee, a group of state, territory and Australian government officials established under the WELS Intergovernmental Agreement, met twice during 2008–09. The Committee's agendas addressed the scheme's strategic direction, the development of key performance indicators, and the compliance and communications strategies for the scheme.

Possible further development of the WELS Scheme

In November 2006, the Environment Protection and Heritage Council ministers agreed to a long-term program of work. It will examine the possible introduction of minimum water efficiency standards for WELS products; raise the minimum water efficiency standard for toilets; and explore the possible inclusion of additional water-using products into the scheme.

In 2008–09, a range of projects commenced, or continued, to support the possible expansion of the WELS scheme. These projects focused on assessing the feasibility, costs and benefits

of extending the scope of the WELS scheme to include additional products, and to introduce minimum water efficiency standards. This work includes the development of three Regulation Impact Statements (to be completed in 2009–10), covering different aspects of the possible expansion of the scheme. A number of projects have also been undertaken during 2008–09 to assess the technical suitability of the additional products proposed for inclusion into the WELS scheme.

Additional information

The WELS website is at www.waterrating.gov.au.