

## HIA National Code of Ethics

*Ethical conduct is an important issue for all aspects of the construction industry, including the housing sector. The kind permission of the Housing Industry Association Ltd to publish its National Code of Ethics is gratefully acknowledged.*

### NEW CODE A GUARANTEE OF STANDARD

HIA's new National Code of Ethics clearly and concisely sets out acceptable standards of commercial behaviour for members throughout Australia.

The National Code of Ethics eliminates the inconsistencies which have previously existed between Codes of Conduct in individual States and Territories. This means that consumers – no matter where they are in Australia – can be assured of receiving high levels of professional conduct when they choose an HIA member.

The introduction of a National Code of Ethics is another significant step towards greater self-regulation. It allows us to deal positively and successfully with consumer needs and complaints without the unnecessary involvement of Government and other regulators.

Furthermore, it ensures the Australian building industry's reputation for providing high standards of commercial conduct is enhanced in the future.

It is up to every member of HIA to understand and comply with these Code of Ethics so that HIA can achieve the highly desirable objective of self-regulation.

**Graham Anderson, President, HIA**

### THE HIA NATIONAL CODE OF ETHICS – YOUR GUARANTEE

#### 1. Introduction

The Housing Industry Association Ltd ("HIA") is an association of approximately 30,000 members working in the housing industry. It is the peak national industry association for the residential construction and home building, renovation and development industry in Australia.

The HIA and its members are committed to promoting the highest standards of customer service, workmanship and business conduct, and full compliance with all applicable laws, regulations, codes and standards. In order to do that, the HIA has for many years had various Codes of Conduct applying in particular States and Territories.

This National Code of Ethics has been developed by HIA, in consultation with the Australian Competition and Consumer Commission ("ACCC"), to apply throughout Australia, to ensure that the same high standards of commercial conduct shall be observed by all its members in their dealings with each other, suppliers, customers and the public.

This Code has been designed to comply with Australian Standard AS4269-1995 on Complaints Handling and Australian Standard AS3806-1998 on Compliance Programs.

#### 2. To whom does this Code apply?

This National Code of Ethics applies to members of the Housing Industry Association. It is the duty of every member to comply with this Code, and to take all reasonable steps to ensure that their associates and employees do not commit any act or make any omission which would be a breach of this Code if committed by the member.

#### 3. The Aims and Objectives of this Code

This Codes applies to all commercial dealings by members with fellow members, suppliers, customers and with the public generally.

This Code aims to:

- (a) promote the highest standards of customer service, competence, workmanship and conduct by members in the housing industry;
- (b) provide guidelines to members on best practice for the marketing, costing and supply of building services to the public;
- (c) establish a simple and effective complaints handling and disputes resolution procedure, with appropriate sanctions for breaches of this Code;
- (d) through responsible self-regulation, complement and enhance existing laws and codes governing members; and
- (e) strengthen the competitive edge of HIA members by assuring customers and suppliers that they have the right to expect the highest standards at all times.

**4. Fairness**

All members of the HIA have agreed to be bound by this HIA National Code of Ethics, under which they shall at all times conduct their business so as to:

- (a) provide products and services with competence, fairness, value, honesty and integrity;
- (b) ensure that all products and services they provide are delivered as advertised, and that all claims made are genuine;
- (c) ensure that standards of workmanship are provided as promised to the customer, in accordance with appropriate industry practice for the class of work concerned, and in a manner which shall enhance the reputation of the industry;
- (d) use their best endeavours to ensure compliance with the Code by all partners, associates, employees and contractors, to the extent that the Code applies to them; and
- (e) avoid any action which might bring the HIA and its members into disrepute.

**5. Relations Between Members**

Members believe that the individual success of other members benefits the HIA as an industry body and, in turn, aids each member through their association with the HIA.

Therefore, members shall:

- (a) seek to promote the goals of the HIA by adhering to the principles in this Code and providing mutual support and assistance to other members bound by this Code; and
- (b) at all times conduct their business in free and fair competition, and refrain from making any misleading or untrue statements about other members.

**6. Best Practice**

The HIA shall on a regular basis publish for the guidance of its members details of what it considers to be appropriate standards of conduct, service, workmanship, best practice and ethical dealing in particular areas.

**7. Complaints**

- (a) Any consumer, Member or other person who believes they have a complaint against an HIA Member in connection with their commercial conduct may ask the HIA to deal with the complaint under this Code of Ethics.
- (b) Unless satisfied that the complaint is not a genuine one, or is trivial or vexatious, the HIA shall attempt to resolve the complaint informally, including by reference to independent mediation if appropriate.
- (c) If HIA is unable to resolve such a complaint, it shall refer the complaint to an independent Complaints Committee for decision.

- (d) The Complaints Committee shall consider the complaint in a fair and proper manner in accordance with detailed complaints procedures adopted by the HIA under this Code (Attachment 1).
- (e) The Complaints Committee, if it finds that a Member is in breach of this Code, may take disciplinary action against the Member, including cautioning, reprimanding, suspending or recommending that the National Board of the HIA expel the Member.

**8. Code Administration**

This Code is administered by the National Board of the HIA, subject to the Articles of Association of the HIA and By-Laws made under those Articles from time to time.

The National Board shall:

- (a) keep this Code under review to ensure that it is achieving its stated objectives;
- (b) if necessary, and after due consultation with interested bodies, implement any changes to this Code which appear desirable;
- (c) report annually on the performance of this Code, as measured by appropriate indicators developed by the National Board; and
- (d) provide guidance and assistance to members in developing appropriate internal mechanisms to facilitate the member's continuous compliance with this Code;
- (e) may convene a Codes Administration Subcommittee for this purpose; and
- (f) as required constitute a Complaint Committee for each Region, in accordance with section 7 of this Code.

**9. Consultation**

The HIA shall make every effort to ensure that the benefits and obligations of this Code are known as widely as possible, both among its members and their staff, and with the public generally. HIA shall co-operate with other bodies, including the ACCC and Departments of Fair Trading, in dealing with matters arising under this Code.

HIA welcomes comment on this Code and its operation. The HIA is committed to ongoing improvement of and consultation about this Code with interested public and private bodies, including individual customers, consumer groups, ACCC, Fair Trading and Consumer Protection Departments Trade Associations, Suppliers, Public Utilities and Local Governments.

Any correspondence should be sent by mail to:  
 Housing Industry Association  
 79 Constitution Avenue  
 Canberra ACT 2612

Or by E-Mail to:  
 compliance@hia.asn.au

**NATIONAL CODE OF ETHICS**

**The Principles**

All Members of the Housing Industry Association have agreed to be bound by the HIA National Code of Ethics, under which they shall at all times conduct their business so as to:

1. provide products and services with competence, fairness, value, honesty and integrity;
2. ensure that all products and services they provide are delivered as advertised, and that all claims made are genuine;
3. ensure that standards of workmanship are provided as promised to the customer, in accordance with the appropriate industry practice for the class of work concerned, and in a manner which shall enhance the reputation of the industry;
4. at all times conduct their business in free and fair competition, and refrain from making any misleading or untrue statements about other members; and
5. avoid any action which might bring HIA and its members into disrepute.

**ATTACHMENT 1**

**HIA Complaints Procedures and Rules for Member Discipline**

1. The National Board or its delegate shall convene a Complaints Committee as required in each Region.
2. A Complaints Committee consists of:
  - (a) A solicitor (not being HIA's solicitor).
  - (b) Two members of HIA.
  - (c) Any other person of good character and repute nominated by the relevant Department of Fair Trading/Consumer Affairs.
3. The Complaints Committee shall from among the members elect a person to Chair the Committee, who shall appoint a person to be Secretary.
4. Where a complaint (other than a complaint which in the opinion of the regional Director is not genuine, or is trivial or vexatious) is made against a member, and the HIA has not been able to resolve the complaint informally, the Regional Director shall refer the matter to the Complaints Committee. The Complaints Committee shall inquire into the substance of any complaint referred to it. The member shall comply with the directions of the Committee in the course of its investigation of the complaint.

**Procedure**

5. The Complaints committee shall decide all matters referred to it in accordance with the principles of equity and good conscience, but is not bound by the rules of evidence. The Committee shall conduct its proceedings in a fair and proper manner and in accordance with the principles of natural justice. Until such time as the National Board determines otherwise the Complaints Committee shall proceed as follows:
  - (a) The Committee shall obtain a written undertaking from the complainant that, in consideration of the Committee inquiring into the complaint, the complainant will not commence or prosecute any action or legal proceedings for defamation or like action, or seek to recover any loss or damage arising out of the conduct of an inquiry by a Complaints Committee, against any person who gives evidence (orally or in writing) or exercises any power or performs any duty as a member of the Association, member of the National Board, a Regional Director or other HIA Officer or Employee, or a member of the regional Executive Committee or any committee or sub-committee of the Region, including a Complaints Committee.
  - (b) The member and complainant shall both be notified in writing of the date, time and location that the Complaints Committee is scheduled to meet. The member shall also be provided in advance with a copy of the allegations to be considered by the Committee.
  - (c) The Committee may request from the member, within a specified time, a written response to the matters contained in the complaint, in which case the member will provide the response as requested. The member and complainant shall be given sufficient time to prepare their cases and may call witnesses to support their case.
  - (d) When the Complaints Committee meets, the person Chairing the Committee shall explain to the parties the process which the Committee intends to follow. Neither party is entitled to legal representation but may have other persons present to assist them in presenting their case.
  - (e) The Chair will require the complainant to outline the allegations against the member. Members of the Committee are encouraged to ask questions of clarification. The Chair will then require the member to provide an answer or explanation in response to the complaint. The complainant and member will be given ample opportunity to answer any allegations and clarify any matters.

- (f) The parties may provide oral and documentary statements and other material, and are entitled to call witnesses and to tender documents. Subject to law, the Committee may require the member to produce any documents relevant to the proceedings which are in the member's custody and control. A party giving an oral statement may give sworn evidence if they wish, but in any case may be asked questions by the Committee and by the other party. The Committee shall give all evidence (sworn or unsworn) such weight as is appropriate, and shall take such evidence into account in making its decision to the extent appropriate.
- (g) The Committee may, if it sees fit:
  - (i) inspect and copy any relevant documents of the parties;
  - (ii) take any sample or make any test;
  - (iii) obtain advice from any specialist consultant or other expert;
  - (iv) inspect any work which relevant to the subject of the complaint;
  - (v) adjourn proceedings from time to time;
  - (vi) suspend proceedings pending the determination, by arbitration, expert determination litigation or otherwise, of contractual issues in dispute between the parties; and
  - (vii) make recommendations to the parties aimed at resolving the complaint.

- 6. The Committee may decide the matter at the conclusion of the hearing or may adjourn the proceedings to consider its decision. If the Committee decides to consider its decision, it shall make that decision within 10 working days if possible. Both parties shall be advised that they will be notified in writing as soon as possible of the outcome.
- 7. The Chair of the Complaints Committee shall prepare a written report on the Committee's inquiry stating the issues in dispute and the decision(s) on them, and shall forward a copy of this to the member and to the relevant HIA Regional Director.
- 8. The Complaints Committee, if it finds that a member has acted contrary to the HIA Code of Ethics, may do any of the following:
  - (a) caution the member;
  - (b) reprimand the member;
  - (c) seek and obtain undertakings from the member in relation to future conduct;
  - (d) suspend the membership of the member, on such terms and for such period as it thinks appropriate; and
  - (e) ask the National Board to terminate the membership of the member.

- 9. Where the Complaints Committee makes a recommendation on termination of the member, the Regional Executive shall forward this to the National Board, who will make the final decision. The decision of the National Board will be made as soon as possible and shall be notified to the member in writing.
- 10. Where the Complaints Committee suspends a member, the HIA will give effect to that suspension in accordance with its terms.
- 11. The Complainant will be advised in writing of the outcome of his or her complaint when a decision has been made on it under paragraph 8 or 9 above.
- 12. It is the duty of all HIA members, Officers and Employees to assist an inquiry by a Complaints Committee. No member shall, in connection with a complaint, be entitled to commence or prosecute any action or legal proceedings for defamation or like action, or to recover any loss or damage arising out of the conduct of an inquiry by a Complaints Committee, against any person who gives evidence (orally or in writing) or exercises any power or performs any duty as a member of the Association, member of the National Board, a Regional Director or other HIA Officer or Employee, or a member of the Complaints Committee. □