

*Well! We are almost done for another year. XMAS is with us again.*

We all get to this time of year and are mostly winding down for a break or just plain exhausted. Of course there are those of us that do "over Xmas period work" – shutdown, etc but hopefully get a break later. Either way it's a change of pace and a chance to stop and reflect on the year gone and to contemplate on the year ahead.

I personally will be pondering a way forward for the AIW and what we need to achieve. We now have a strong body of able men and women who are keen to see the AIW succeed in its goals for all its members.

Member numbers are increasing and people are becoming aware of what the AIW is about. We are concentrating on uplifting the profile of all waterproofers nationally. The best way for this to occur is for all our members show that they are professionals in the construction industry and are proud of being an AIW member. If you are not using the AIW logo on your emails, paperwork and marketing material then now is the time to get that sorted out. The logos are available on the website for members to use.

As we progress through 2017 we would love to hear from our members with issues and topics that you are involved with. This is helpful to gain a deeper understanding of what we "the committee" can do for you. Do not hesitate to drop me (or other committee members) an email or call me to discuss anything.

We all try our very best to leave our own separate business out of the mix when it comes to the AIW. This way there is no clashes of business rivalry and no self-interest. What we need is our members feeding us information so we can act on it. For example, we have been to many meetings with the Victorian Building Authority, MBA Vic and NSW in respect of Registration, Training (CERT 111 - Waterproofing) and Legislation, Australian Standards review for waterproofers. We will publish a comprehensive list of committee members and respective skills or knowledge base so that our

members can refer any questions to a specific "go to person".

I look forward to meeting as many members as possible, so it would good if you can make it to one or more of the events in 2017.

I would like to take this opportunity to thank the outgoing committee members and to thank the 2017 continuing and many new committee members for offering up your personal time and energies for the AIW and of course a big Thank You to all AIW Members for being part of a wide network of Waterproofing Professionals and showing support.

*Wishing you and your Families a Safe and Happy Xmas and Very Prosperous New Year.*

*On Behalf of the AIW Committee  
Paul Evans  
AIW President.*

## Social Media to Catch Cheats

The building and construction industry will be the next main target of the taxman's attempts to claw-back revenue lost due to the illegal cash economy.

The Australian Taxation Office has visited over 1000 building and construction small businesses over the past financial year to talk with them about their tax and superannuation obligations.

Sydney homeowner Marie Najjar knows how hard it is to find a good tradesman. It will be visiting thousands more in the coming months. And it's now using social media to catch out tax cheats.

Assistant Commissioner Matthew Bambrick told Fairfax Media the top three risky industries were hospitality, made up of 70,000 businesses; hair and beauty salons, of which there are 50,000; and building and

construction, made up of 406,000 businesses. Tradies are under watch. Photo: Louise Kennerley

He said tradies were now a focus because it was a much bigger industry and "they have ready access to cash".

As Fairfax Media reported, more than 5500 workers dob in their bosses to the ATO every year for allegedly illegally paying them "cash in hand".

But these are just the tip of the iceberg. The ATO estimates about 1.6 million businesses - mostly micro and small businesses with an annual turnover up to \$15 million - operating across 233 industries may be part of the illegal cash economy.

### Trade shows hit

As of June last year more than 250,000 building industry contractors accused of dodging their GST or income-tax obligations were hit with \$2.3 billion in tax bills.

Mr Bambrick said the ATO was using data and analytics to target the building and construction industry, and was now complementing that strategy with on-site visits.

"This year the ATO has started trialling targeted engagement at events with high concentrations of the B&C population, such as attending the HIA Building and Business trade show in June," Mr Bambrick said.

"We are also focusing on new entrants to building and construction industries as part of our prevention work to put them on the right path for meeting their tax and superannuation obligations."

The scrap metal industry was also under watch. He said a lot of new businesses were setting up in the industry and often they didn't even have an ABN.

### Using social media to catch cheats

Mr Bambrick said while the ATO did not use social media to determine who it reviews and audits, it did cross-check what people tell them by monitoring public Facebook accounts and online websites such as Gumtree and eBay.

For example, if someone was reporting low-income but had a house valued at more than a million dollars and pictures of themselves holidaying at high-end ski resorts, "that might be something that

they need to explain to us", he said.

Mr Bambrick cited another case where a nightclub operator was hiding the fact that staff were performing shows on a particular night, but then a Facebook check revealed performances did actually take place - meaning income was being concealed. The ATO has identified the cash economy as a major tax integrity risk, which 375 ATO staff, and a budget of more than \$37 million in 2015-16 monitor.

In 2015-2016 the agency monitored 127,000 cash economy businesses, conducted 15,000 audits and enforcement activities and raised over \$208 million in tax and penalties.



### Audits arise from visits

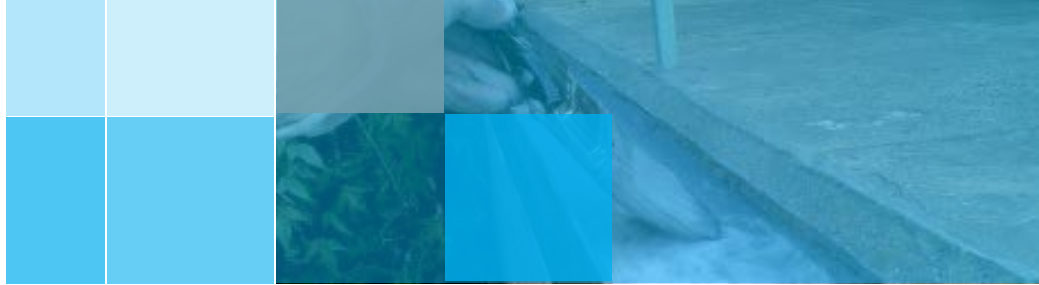
While the ATO will not give an exact figure of how many billions of dollars is lost to the black economy, the agency has in recent years stepped up audits of small businesses in high-risk industries.

In the past two years the ATO has undertaken visits of specific areas where hundreds of these businesses are focused including Haymarket in Sydney, Box Hill in Melbourne and areas around the Gold Coast.

ATO officers with language interpreting services for Chinese, Vietnamese, Korean, Japanese, Bosnian and Serbian languages are sent out to remind business owners of their tax obligations and in some cases this has led to audits.

Mr Bambrick said this year 95 staff were involved in walk-ins in the Gold Coast region and visited businesses that operated at Surfers Paradise, Broadbeach, Main Beach and Carrara areas.

Nassim Khadem  
Source: <http://bit.ly/2guJ8Tm>



# Lessons we've learned, and others taking more time.

In a recent chat with a few of my staff we'd been recollecting how the waterproofing and building game was in the 80s / 90s. It felt like I was pulling stories out of the vault, but it wasn't that long ago we approached it this way and in some cases still are.

Without writing War and Peace I thought I'd rattle off 10 of the things that were done in the late 80s / early 90s that we no longer do, demonstrating the disconnect often found between waterproofing and associated trades:

**#1** Concrete is impervious and doesn't need to be waterproofed. We only had to waterproof floors constructed from timber or cement sheeting. We have come a long way from this one.

**#2** Use of particle board flooring on external decks. How many cases did we see with timber sheet used externally and the "mushrooming" of the floor from atmospheric moisture causing floors to bow and floor finishes to pop.

**#3** No leak control flange, or better known as the puddle flange. The common occurrence of tile beds over membranes sealing to the neck of the floor waste and somehow hoping all the water from the tile bed would drain away.

**#4** PVC flashings to the perimeter wall / floor junctions. This was for a period seen as the waterproofing. Besides the waterproofing failures it was bemusing (and sometimes amusing) to hear how tiles and screeds were going to bond directly to PVC.

**#5** Waterproofing perimeter wall / floor junctions only in showers. There was a time when we believed if the junction was waterproofed nothing else needed to be. Same went for external CFC sheeting where it was believed if the joints were sealed, she was waterproofed. Ouch, this one was costly.

**#6** Timber shower hobs - yep, almost like believing 2nd hand smoke in a pub was no problem to inhale. Hands up for those that witnessed hobs twisted, tiles popped and shower screens dislodged.

**#7** Fibreglass resin membranes - The train of thought went along the lines of "if boats can float with fibreglass, we

should be able to waterproof with the same material". After some years of realisation that FG didn't accommodate movement, nothing bonded to it and the solvents impacted the adhesion of tiles and screeds, many started to change their ways.

**#8** Bitumen based membranes directly under tiles. Solvent based bitumen membranes in both sheet and liquid form were used in showers because... well they had been used underground successfully so why not in showers. Many a tile and grout joint became the "Yellow Brick Road" from staining and yellowing caused by the actives in these bitumens. (On this topic, it was scary to see last month one builder in VIC had his wet areas waterproofed with a torch on sheet on the base of floors - I was told the screed keys very well to the mineral finish and the liquid on the walls bonds seamlessly onto the floor sheet - happy to pass on details to contractors reading this that want to pass on their card for future remedial work on this one).

**#9** Sand casting liquid resin membranes - while trying to overcome the issue of nothing bonding to the shiny hard dry film of FG membranes someone forgot to realise that those coats of membranes had been penetrated when sand was thrown into the wet coat causing micro holes in the dried film to compromise the membrane seal.

**#10** Grout was ok in wall/wall and wall / floor junctions of tile beds, because there was a membrane under the tiles. Many learnt the hard way that movement / sealant joints in tiles are more about accommodating for tile movement than to seal and prevent water ingress.

These were 10 I pulled out, and many that didn't make the list of which I'm sure many readers may recall. Keen to hear others that could've made this list. So how many of these things do we still do? I hope there will be very few that will claim the methods above are still seen out there.

So, what are we still doing that we shouldn't be? Well I've come up with another list of 10 that I hope in a few years' time we can put on the list of "things we used to do":

**#1** Floor finishes on external balconies / decks are supposed to be a minimum 50mm (preferably 100mm) from the finished floor level. I'm betting many will put their hand up to confirm a high % of balconies they see have the actual floor at 50mm from the door threshold, which

doesn't allow much room for a screed and tile to take up that 50mm. This is one we need to correct as a priority and needs work between builder, designer, sheet manufacturer, waterproofer and tilers. Checkout James Hardies details on how to construct decks with CFC or Scyon, not many following their recommendations. How many things are wrong with this?

**#2** Spot fixing of tiles. Was hoping this would be in list above but in the past 12 months have seen reports of tiles de-bonding off of membranes and finding tiles spot fixed. Understand many know this but when tiling over a membrane the quality of adhesive is paramount, good water resistance and high adhesion properties are critical, followed by a full bed of adhesive behind the tile. If a membrane is doing its job, then what lies between tile and membrane needs to resist far more moisture than a tile applied on a porous surface.

**#3** Puddle flanges fixed flush at floor level, not sitting proud of floors. We have a concept that works when installed as designed.

**#4** Direct adhesion of tile adhesives to PU membranes. Have we seen enough of the issues here to ensure we get this right?

**#5** External floors, where appearance over function is the priority. Understand all clients want a great looking surface, but when membranes are applied outside the returns at wall / floor junctions need to be a minimum 150mm. How often do we see render / texture applied to the external walls before the membrane is applied, so with no skirting tile the membrane return is restricted to the tile height. Issues waiting to happen and actually happening.

**#6** Windows and door frames applied prior to any waterproofing on external floors. Understand some contractors out there claim to be able to create miracle finishes but the reality is when doors and windows are installed prior to the membranes, then there is an immediate restriction to the quality of seal that can be created. Coordination between builders and trades needs to cooperate to ensure external floors can integrate the seal under these fixtures.

**#7** Overflow drain outlets on parapets higher than the floor membrane level. There are some great overflow products available to the roof membrane market, unfortunately seldom used. Pet hate is seeing off cuts of pipes shoved into parapets to create overflow outlets and the termination of membranes inside the pipe or worse around the perimeter of it. Some common sense needed here with design of overflows that actually work for the expected life of the membrane, instead of the token

methods seen too often.

**#8** The termination of both liquid and sheet membranes on balcony / deck floors at the sheet edge. The return onto the fascia is one of the most critical areas on exposed floors. Again, often the restriction is the facias have been painted or textured prior to the waterproofing. Major detail that needs to be coordinated, in the same way as doors and windows on external areas.

**#9** Footings at base of retaining walls. When built correctly there should be a rebate to return the membrane onto the footing to create a seal. Often the footing is flush with the wall and worse still is jagged, rough and in no condition for waterproof membranes. There are a number of products out there to prepare these footings for membranes. I hear all the time contractors saying the builder won't pay them to prepare the area or they can paint a liquid over it to create the seal. More chance of the Titanic surfacing and landing on the Gold Coast. So much focus on the hydrostatic resistance of membranes in underground areas yet the point where water will be collected there seems to be far too little attention given in getting it right before waterproofing. We get what we tolerate, so prepare it correctly or get the builder to prepare correctly, as it is the result of other trades that waterproofer end up accepting that causes them to come unstuck.

**#10** Finally what are we still doing that we shouldn't be - believing the "too good to be true" data sheet. I have flagged previously in More than just a Rugby lesson from Across the Tasman the importance of appraising products etc but unfortunately there are still too many inferior products making claims that fall into the basket of "when it sounds too good to be true, it bloody well is". Some of the claims I read and hear made from some products fall just short of claiming they can fix the hole in the Ozone layer. A great sales pitch may always seduce some in the industry but having an industry where products are appraised (not just tested) is the way to quickly eliminate this.

No doubt the list could be longer, I'm sure many will have more to add and happy to hear what I've missed. Hopefully we see the list of "things we used to do" grow faster helping the industry progress in the right direction.

Phil Scardigno  
Source: <http://bit.ly/2gQ6tux>