

BUILDING PROFESSIONALS AMENDMENT (INFORMATION) BILL 2016

Bill introduced on motion by Mr Victor Dominello, read a first time and printed.

Second Reading

Mr VICTOR DOMINELLO (Ryde—Minister for Innovation and Better Regulation)
(16:50): I move:

That this bill be now read a second time

I am pleased to introduce the Building Professionals Amendment (Information) Bill 2016. The Building Professionals Act governs the accreditation and regulation of certifiers. It establishes the rights and obligations of both private and council certifiers and provides a framework for the management of complaints against certifiers and certifying authorities. This bill arises from the statutory review of the Building Professionals Act that was undertaken by former Treasury Secretary Mr Michael Lambert. The review commenced in September 2014 and was completed in October 2015. Earlier today I tabled the New South Wales Government's response to the review. This bill represents the first of a number of priority reforms that the Government will be progressing.

The Government wants to ensure that New South Wales has a world-leading system of building regulation and certification and a building regulatory system that fosters economic growth and improves the design and performance of buildings while at the same time providing protection for consumers by appropriately managing risks to safety, health, amenity and sustainability. Certification is a crucial part of the building and construction process. This bill implements specific recommendations around using certification data as a regulatory tool to improve not only the way the industry performs but also the manner in which it is regulated. This bill represents just one component of the New South Wales Government's broader agenda to improve home building, planning and assessment and dispute resolution.

In 2015 the Government introduced improvements to home building laws and followed this with the completion of a major review of the State's strata legislation. The new strata laws commence on 30 November this year, bringing a raft of benefits to over a quarter of the State's population. I note that, according to current predictions, by 2040 half the State's population will be either living or working in strata buildings. The Government is also examining reforms to the systems that help protect consumers and subcontractors from risks of builder insolvency, that is, the Home Building Compensation Fund and the security of payment laws. Improvements to the planning system are underway to help build a simpler, modern planning system.

The bill represents further progress by this Government to ensure that the New South Wales building and construction sector is able to continue to grow, while also ensuring there are appropriate regulatory controls so that it produces quality outcomes. The bill inserts a new regulation-making power to allow the department to obtain data from persons who carry out certification work, accreditation holders and certifying authorities to centrally collect building and certification information showing the state of the built environment in New South Wales. The bill also introduces the ability for the department to enter into an information-exchanging arrangement with councils and other agencies that exercise functions relating to certification, building regulation or the provision of statutory building insurance to deliver better and more efficient services to the people of New South Wales.

Similarly, the bill allows for the department to obtain information from other agencies to ensure the certifier accreditation scheme in New South Wales is more robust, responsive and effective at ensuring only appropriate individuals are able to operate in the industry. NSW Fair Trading will work with industry associations and key stakeholders, including local government, on the types of data to be collected. It is proposed to collect information that accreditation holders and certifying authorities

already record or report but which is currently fragmented from a data collection point of view. The department will be able to request information about certification work, building work and related matters. Subject to consultation, it is expected that a certifying authority or accreditation holder would be required to provide notification to the department of specific information at their time of appointment on a building project, at one or more key points during the development—possibly following some or all critical stage inspections—and at the end of the development process.

The type of information that could be collected during construction includes the name of the person who appointed the principal certifying authority, the location of the development, the building type and the details of the principal contractor. Existing reporting processes and requirements will inform what information is to be provided and how. Obviously, with any request for data relating to people's homes, the protection of privacy is of utmost importance and is sacrosanct. I wish to clarify that any information provided by private entities such as private certifiers to the Government arising from the provisions within this bill will be shared only amongst government agencies. Once provided to the New South Wales Government, the information will not be shared or exchanged with private entities outside of government.

Consultation will be undertaken with industry associations, local government and providers of business software to develop an efficient gateway for the collection of the information. It is the Government's intention to specify the form, timing and content of the data and to provide a point of collection available to all players but to leave it open to industry, practitioners and councils to determine the most efficient way for them to collect and record the data they need to provide. The data capture process will be as simple and efficient as possible—for example, it will be achievable through a website that can be accessed on a phone or tablet. The OneGov team in the Department of Finance, Services and Innovation will be responsible for designing the certifier data collection gateway and database. OneGov has a proven track record in this area, having already developed and delivered new smart digital tools for Fuel Check and Smart Meters.

The benefits of this bill are clear and simple. The Baird Government is the smart government. We know that knowledge and information are exceptionally powerful and we want to harness this power to keep New South Wales ahead of the curve. We want our Government to be agile, fast and smart in the way we operate and deliver services.

The Government must harness data assets to deliver better services for the people of New South Wales. Currently, a lot of data is collected by certifiers and certifying authorities as part of their routine operations. Sadly, this data is being wasted. It is held in different systems and formats and is used for a variety of purposes. This bill seeks to provide a mechanism for bridging the gaps and bringing this rich information set together in one place in order to gain a far greater insight and understanding of the built environment in New South Wales. In 2014-15 certifiers contributed \$34.1 billion of new approved development to the New South Wales economy. In the same period, over 140,000 certificates were issued by private and council certifiers. Having faster access to this information at a macro level will improve the overall understanding of activity in the building sector and enable issues to be identified more quickly.

With the ability to drill down to individual developments, contractors and/or certifiers, the Government will better understand, predict and respond to what is happening in the industry. Better quality and more reliable data will improve targeting of industry and consumer education and information. It will inform evidence-based policy that will allow for better regulation of the industry that is measured, appropriate and well targeted. It will contribute to better identification of and response to problems in the building sector, thereby providing for more efficient allocation of government resources. Analysis of the information will direct government services to where they are needed most. It will improve overall efficiency, service delivery and value to the people of New South Wales.

Through the integration and coordination of government agencies that regulate the building industry the bill will provide better targeting of compliance and regulatory activity. The bill seeks to reduce unnecessary duplication and minimise the regulatory burden on the industry by bringing data together into a single location. It will enable the development of advice and guidance for consumers

and builders, allowing better informed decisions. This amendment is the first stage towards delivering a superior system of building and certification regulation in New South Wales. This will be achieved through ongoing open dialogue with those in the certification and building industry, local councils and other government agencies. The Government will work closely with stakeholders to develop the new data reporting requirements. I commend the bill to the House.

Debate adjourned.

The ASSISTANT SPEAKER: Government business having concluded, private member's statements will now be proceeded with.