

**INQUIRY INTO FURTHER INQUIRY INTO THE
REGULATION OF BUILDING STANDARDS**

Organisation: Interior Fitout Association

Date Received: 19 September 2021



***PO Box 6347
Kincumber NSW 2251***

Submission

re

**Further inquiry into the
regulation of building standards**

and impacts of

Design and Builders Practitioners Act

September 2021

Introduction

This submission outlines the Interior Fitout Association's concerns about the Design and Builders Practitioners Act which commenced on 1 July 2021 and the unexpected impacts it will have on many IFA members in NSW.

About Us

This industry association has been representing the multibillion dollar interior fitout industry for more than 50 years. The Association was previously known as the Australian Shop & Office Fitting Industry Association (ASOFIA) before rebranding to the Interior Fitout Association (IFA) in 2020.

IFA membership covers the full breadth of businesses involved in the interior fitout industry ranging from shopfitters, office fitters, retail designers, specialist contractors, manufacturers & suppliers, and service providers.

By and large, IFA member businesses are primarily involved in the delivery of non-residential retail and commercial fitouts ranging from shops, hospitality, offices, educational, entertainment, accommodation, and health & aged care.

Pre-Existing Concerns

For more than 25 years, this Association has been advocating to state governments of both persuasions that shopfitting should be licensed in NSW - but to no avail.

In July 2008, a meeting of COAG endorsed a national recommendation to create *A Seamless National Economy*. At that time, there was great hope and anticipation that the licensing anomaly affecting shopfitters in NSW would finally be addressed. However, years on and after wasting more than \$30M, state governments walked away from the tough political decisions involved in the process and abandoned that national licensing plan. What was left was a country where shopfitters are now licensed in every jurisdiction except NSW. And that is despite the ongoing delivery of shopfitting as a trade course in NSW by TAFE. After almost three decades, more shopfitting apprentices have completed that trade course than in any other state.

If NSW shopfitters wanted to work interstate, they would have to apply for a license in either the state where their work was located or pursue a licence in another state and then follow the pathway through mutual recognition to work in other states whenever and wherever required. For those shopfitting businesses whose work was limited to NSW, they have not been able to operate as a licensed shopfitter because that licence simply didn't exist because commercial building work has never been regulated in the same way that residential building work has been in NSW.

Current More Specific Areas of Concern

It is obvious that several areas of concern emerge from the recent introduction of the Design and Builders Practitioners Act.

1. Firstly, whilst the charges are widely being promoted as "*Residential building industry reforms*" they will also have a very significant impact on building work undertaken in the commercial and retail environment. In particular, in Class 2 Buildings that are of mixed use and include retail spaces and residential.

2. It is obvious that some IFA member types will be ineligible to qualify for registration under the new Act despite possessing what has in the past been regarded as industry widely accepted skills and qualifications. That includes any NSW based shopfitters who possess a trade certificate and any retail designers who have achieved industry acceptable design qualifications that are not equivalent to the building or architectural design qualifications required for registration under the new act.
3. Similarly, these very same concerns will extend to the proposed extension of this act in the future when it starts to include many other building classes which member companies work on a regular basis.

In Conclusion

There appears to be no evidence to suggest that this sector of the building industry is responsible for unacceptable levels of defective work, any ongoing or blatant lack of compliance or any decline in the quality and delivery of the design process.

An unintended consequence of the introduction of the Design and Builders Practitioners Act is that it potentially impacts hundreds of existing retail and commercial building and design businesses who have operated completely within the law and in accordance with industry best practice. Those businesses will now be affected and prevented from operating as they have in the past because there has been no formal recognition of their qualifications and skills through licensing in NSW.

Essentially, these changes will impede the continuation of legitimate commercial business opportunities and have a detrimental impact on ongoing contractual relationships and could lead to the demise of many reputable and experienced businesses involved in the interior fitout industry.

This Association supports reforms that improve building compliance and enforcement. However, in saying that, surely there needs to be some recognition and acceptance of pre-existing qualification and skills levels through some type of "grandfathering arrangement" to recognise what is and has been totally acceptable commercial building and design practice in NSW for decades.

This Association would welcome an opportunity to have a senior government representative involved in these changes attend a meeting to address and respond to these concerns of members.

IFA appreciates the opportunity to raise these issues on behalf of its members.

Regards,

Gerard Ryan
IFA CEO