

**INQUIRY INTO REVIEW INTO THE DESIGN AND
BUILDING PRACTITIONERS ACT 2020 AND THE
RESIDENTIAL APARTMENT BUILDINGS (COMPLIANCE
AND ENFORCEMENT POWERS) ACT 2020 AND RELATED
DRAFT GOVERNMENT BILLS**

Organisation: Plumbing Industry Climate Action Centre

Date Received: 29 July 2025

28 July 2025



The Secretariat
Public Accounts and Works Committee
NSW Legislative Council

Building the Plumbing
Workforce of the Future

Review into the *Design and Building Practitioners Act 2020* and the *Residential Apartment Buildings (Compliance and Enforcement Powers) Act 2020*

Thank you for the opportunity to contribute further to the Public Accounts and Works Committee's (the Committee) review of the *Design and Building Practitioners (DBP) Act 2020* and the *Residential Apartment Buildings (RAB) Act 2020*. This submission is from the Plumbing Industry Climate Action Centre (PICAC) on behalf of the leading stakeholder representatives in the Plumbing and Fire Protection Industry (the Industry) and the Plumbing and Pipe Trades Employees Union (PPTEU).

The Industry made a submission to the Committee's Inquiry in July of 2024. We note that in light of the pending changes to the legislative framework for building, plumbing and fire protection in NSW (Building Bill), the review Terms of Reference (ToR) have been updated and submitters invited to revise as required their responses to reflect the revised ToR.

Industry's view is that the provisions of the DBP and RAB Acts are an important element of the overall regulatory framework. Industry welcomed the legislation when it was introduced in 2020, was supportive of the Acts in our submission in 2024, and remain supportive. This is because the provisions in these Acts have the potential, if properly oversighted and enforced, to make a significant difference in terms of addressing the unacceptable rates of non-compliance and failure identified in the Shergold Weir Report (2018) and subsequent inquiries and reviews. Our 2024 submission (attached) outlines why we think the additional registration, approval and certification steps included in the 2020 legislation are positive and should be maintained.



It is our understanding that the intention of the NSW Government is to introduce legislation to the Parliament later this year which will effectively subsume the relevant existing provisions of other legislation (including the DBP and RAB Acts) into the new overarching Building Legislation. It has also been foreshadowed (and reflected in the Committee's ToR) that the new Legislation will enable the regulatory and oversight functions of the Acts to be exercised by the independent NSW Building Commissioner.

Industry welcomes and supports this approach. Consolidating building regulation (licencing, certification, inspection, audit, complaints handling, consumer protection etc) into a comprehensive framework oversighted by an independent and ideally expert regulator, is a significant and positive step forward.

The consultation process undertaken to date by the NSW Department of Customer Service relating to the new building regulatory framework proposed for NSW has been thorough. From mid to late 2024, the Department coordinated an extensive process involving multiple Discussion Papers, stakeholder forums, committees and the like. Industry participated extensively in that process and made written submissions to multiple processes relating to:

- Consumer Protection for home building work
- Competency assessment and verification and the potential of co-regulation
- The building approvals framework and certification
- The regulation of prefabricated building (including plumbing) work
- Fire Safety design, installation, certification testing.

A copy of those submissions is attached for the reference of the Committee.

Thank you again for the opportunity to contribute to this important reform work and for the invitation for a PICAC representative to appear before the Committee in August 2025. PICAC would be pleased to accept that invitation. Unfortunately I will be overseas at that time, however I will ensure that contact details of the PICAC representative who will attend are provided direct to the Committee Secretariat as requested.

Should you wish to discuss this submission, please do not hesitate to contact me via email:

Yours sincerely

Shayne La Combre
Chief Executive Officer

Attachments:

1. Industry submission - Public Accounts and Works Committee, July 2024.
2. Industry submission – Consumer Protection (for home building work), September 2024
3. Industry submission – Building Approvals and Certification, September 2024
4. Industry submission – Fire Safety Regulatory Framework, September 2024
5. Industry submission – Regulation of prefabricated building work, August 2024
6. Industry submission - Competency Assessments / Co- regulation model, September 2024

6 September 2024



HBA Review Team
NSW Department of Customer Service

Building the Plumbing
Workforce of the Future

Via Email:

Dear Review Team

Building Commission NSW Position Paper - Consumer Protections for Home Building Work

Thank you for the opportunity to provide feedback on the Building Commission NSW (the Commission) Position Paper on Consumer Protections for Home Building Work. Industry appreciates being able to contribute to the development of important reforms to consumer protections in the new regulatory framework for home building work in NSW.

This response to the Position Paper is from the Plumbing Industry Climate Action Centre on behalf of the leading stakeholder representatives in the Plumbing and Fire Protection Industry (the Industry). These stakeholders are the Plumbing and Pipe Trades Employees Union, National Fire Industry Association of Australia and the Air Conditioning and Mechanical Contractors Association.

Industry believes the proposals set out in the Position Paper are very positive and supports the Commission's approach.

The expanded definition of home building work reflects the contemporary sector by including things like prefabricated building work. The expanded definition also broadens the reach and will bring improved protections for consumers which we strongly support. The proposals relating to contractual arrangements (variations, progress payment etc) are also positive and supported by Industry.

Industry strongly supports the proposals relating to dispute resolution. Adding the requirement that disputes be dealt with by the Commission in the first instance will reduce the number of matters going to the NSW Civil and Administrative Tribunal. This will generally improve consumer access to a pathway to a resolution of a dispute. It will provide an opportunity for the Commission to apply a level of discretion and to differentiate between what we could call honest mistakes by practitioners and the deliberate or reckless disregard for the relevant regulations or standards.



The additional tools available to the Commission to deal with disputes is also supported. A key point made throughout the consultation process was that an un-remediated non-compliant plumbing system or installation represents a risk to the health and safety of individuals and the community. In many instances, a dispute is not resolved for a consumer until the relevant work is rectified. Industry strongly supports the proposed new general power to issue a Compliance Order requiring a contractor to remediate building work and have it brought into conformity with the required standards.

Thank you again for the opportunity to contribute to this important reform process. Industry believes the proposals outlined in the Position Paper will have a positive impact in terms of more consumer safeguards, improving transparency, accountability and the quality of work in the NSW Building and Construction Industry.

Should you wish to discuss this submission, please do not hesitate to contact me via email:

Yours sincerely

Shayne La Combre
Chief Executive Officer

2 September 2024



HBA Review Team
New South Wales (NSW) Department of Customer Service

Via Email:

Building the Plumbing
Workforce of the Future

Dear HBA Review Team

Building Commission NSW's Position Paper Regarding the Building Approvals Framework and Certification.

Thank you for the opportunity to provide feedback on the Building Commission NSW (the Commission) Position Paper **regarding the building approvals framework and certification.**

This response to the Position Paper is from the Plumbing Industry Climate Action Centre (PICAC) on behalf of the leading stakeholder representatives in the Plumbing and Fire Protection Industry (the Industry) including the Plumbing and Pipe Trades Employees Union, National Fire Industry Association of Australia and the Air Conditioning and Mechanical Contractors Association.

The approvals and certification elements are critical components of the regulatory framework, providing checks and gateways at critical points along the construction continuum. Industry strongly supports the intent of the proposed reform to "uplift and restructure" the building approval process to ensure it is value-add which facilitates and accelerates the delivery of housing supply and which acts to drive up quality and protect consumers.

Industry believes the proposals set out in the Position Paper are very positive and supports the Commission's approach. Attached is a brief submission from Industry (Attachment 1) in which it seeks to make some general points about effective approvals and certification and to comment on the specific proposals which relate directly to it.

Thank you again for the opportunity to contribute to this important reform process. It is believed that the proposals outlined in the Position Paper will have a positive impact in terms of improving efficiency, accountability and the quality of work in the NSW Building and Construction Industry.

Should you wish to discuss this submission, please do not hesitate to contact me via email:

Yours sincerely

Shayne La Combre
Chief Executive Officer



Building Commission NSW

Position Paper regarding the Building Approvals Framework and Certification

Plumbing and Fire Protection Industry

Industry Submission
September 2024

Need for Reform

Industry agrees with the Commission on the need for reform to occur with respect to the current arrangements for building approvals and certification in NSW. It is agreed there is a need to address the issues with the current model identified in the Paper including:

- **A lack of clarity around the certification** role has meant that consumers do not perceive certifiers as adding value or technical expertise, instead viewing their functions as hindering the commencement of building work or occupation of buildings
- **The regulatory complexity** surrounding the primary role of a certifier has meant certifiers are unable to focus on ensuring holistic Building Code of Australia (BCA) compliance
- **It has been assumed that Certifiers hold various roles and responsibilities** across numerous legislative frameworks which has set an unreasonable expectation on the profession
- **Unnecessary overlap and complexity** between the Certifier's obligations across the two legislative frameworks for certain work
- **High costs** and difficulty in obtaining building approvals
- **Inconsistent requirements** between private Certifiers and different local councils
- Perceptions of **conflict of interest**.
- Consumers need to be able to trust that the system will help them when they cannot help themselves and currently the approvals and certification system is letting consumers down.

The current building certification process is arduous to navigate and has proven to be complex for Certifiers and Industry. It also has serious ramifications for consumers. Industry is aware, anecdotally, of many instances where consumers have had difficulties in determining where obligations lie, who is responsible for what work, and how to price certain work or understand the inspection and certification processes. Consumers are not sure whether the certifier is working for them, for the builder, or for the developer. Consumers often do not fully understand their building contracts to begin with and then face an additional information asymmetry about the procedural and technical aspects of a building development.

This confusion, the conflicts of interest between builders and certifiers, poorly written and understood contracts and other complexities have led to poor consumer outcomes. To give an example there is a current domestic renovation project in Sydney, a relatively typical and not overly complex job. So far there have been over 350 building, plumbing and electrical faults detected on the project. There have been approvals issued by unqualified and unlicensed persons and a range of other problems identified. The project is now late, significantly over budget and of poor quality. It is still not finished and caused enormous stress for the family who commissioned the project.

Proposed Reform Approach

Industry supports the proposed approach of consolidating existing laws that are spread across building and planning legislation into a single legislative framework. This will enable the formation of a new model which removes ambiguity about roles and responsibilities of certifiers, specialist practitioners (including fire systems designers) and creates a linear series of steps and stop-go stages where certification is required before a development can proceed. A key focus is to free up certifiers to allow them to focus on their primary role which is as agreed, holistic compliance with the BCA.

These additional measures are critical in terms of raising the level of building quality, and in **building consumer confidence levels in the integrity of the process**. Consumers need to see better outcomes and to be confident that the certification system is working effectively to support that goal.

Similarly, the proposed measures to **address real and perceived conflicts of interest** are important and positive. Provided they are properly oversighted and enforced, these proposed measures (higher penalties for certifier breaches of conflicts of interest, automatic suspension where a show cause has been issued, additional Continuing Professional Development obligations imposed on certifiers to promote lifelong learning, etc) have the potential to be very effective. The additional stop-go stages and the strengthened conflict of interest prevention measures will help ensure that the system has integrity and compliance cannot be “purchased”.

The **critical stage inspection** steps proposed are essential in helping identify faults and failures and then remedying them. There can be market dynamics at work which give rise to poor quality outcomes and the critical stage certification and approvals help pick those up. There is often a failure in the **sub-contracting market**. A common example is where a builder constructs the roof structure for a box gutter but it will not support the installation of a compliant gutter by the plumber. The builder and the plumber feel pressure to install it to the builder’s plans. Despite knowing the designs are not complaint, the plumber installs it as designed for fear of losing the contract.

Specific Proposals

Of the 32 specific reform options proposed in the Paper, several relate directly to the **Plumbing and Fire Protection Industry**. These include:

- Building approvals – It is proposed to include a requirement to **integrate design** declarations into the building approvals process. This will help establish clear responsibilities for each party and to identify and prescribe key building element designs to be provided before issuing approval for the work. Industry supports the proposal that key designs (such as fire safety designs) be endorsed by competent practitioners and form part of the building approval.
- Critical stage inspections – introducing a stop-go approval authority inspection stage during construction is a very positive initiative. It will **allow specialist practitioners to carry out inspections of critical elements**, such as structural engineers, fire safety engineers and fire safety practitioners.

- Completion approvals – prescribing minimum documentary evidence required to issue an occupation approval is a positive measure which is supported. This includes **requiring specialist certifications** before completion, including building declarations, specialist certificates (electrical, plumbing, mechanical, waterproofing) and ensures all **performance solutions** (fire and other) are clearly referenced on the approval and included in the documentation.
- Embedding a system that utilises the capacity of digital document recording would be positive to introduce to support this reform. **Digital records** of works completed, inspected, approved and/or certified works would benefit practitioners, improve regulatory efficiency and increase transparency for consumers.
- Prefabricated building work – it is proposed to capture prefabricated building work within the proposed building approvals process of which this is strongly agreed. As addressed in a separate consultation process regarding prefabricated building (and plumbing) work, Industry supports prefabricated work being treated as traditional building work from a regulatory perspective. This should flow through to the approvals and certification end of the construction process.
- Critically from our perspective, when the prefabricated building work is complete and ready for transportation, the manufacturer is required to produce a building compliance declaration that confirms **all specialist work (ie: plumbing) has been carried out by specialist work licence holders** and any specialist work compliance declarations have been attached to the building compliance declaration (in addition to any other submission requirements imposed on specialist work licence holders).

12 September 2024



HBA Review Team
NSW Department of Customer Service

Building the Plumbing
Workforce of the Future

Via Email:

Dear Review Team

Building Commission NSW Position Paper - Fire Safety Regulatory Framework

Thank you for the opportunity to provide feedback on the Building Commission NSW (the Commission) Position Paper - Fire Safety Regulatory Framework (the Position Paper) and for all the consultation opportunities provided throughout this very important policy development process.

This letter is a joint response to the proposed framework from the Plumbing and Fire Protection Industry (the Industry) as represented by the Plumbing Industry Climate Action Centre, the Plumbing and Pipe Trades Employees Union, and the National Fire Industry Association of Australia.

The Industry is broadly supportive of the proposed approach to the regulatory framework for fire safety outlined in the Position Paper. It believes the model presented addresses the complexity and fragmentation of the previous arrangements and proposes generally sensible and appropriate regulatory interventions at key stages, from design through installation to interfaced commissioning.

Whilst it is thought the overall approach is sound, there is more work to be done around some aspects of certification and ongoing inspection and testing, which is a key element of fire safety and is separate from testing for the purposes of the Annual Fire Safety Statement (AFSS).

A key theme of our submissions to all three stages of the consultation process was that fire protection work is specialist work and should only be undertaken by appropriately trained, qualified and licensed practitioners. Industry supports the proposal to include in the new Building Bill a single, specialist licence to work on prescribed fire systems which will mean only specialist licence holders with dedicated fire safety competencies will be authorised to install and maintain water-based fire safety systems in all classes of buildings.



It is noted that the eligibility requirements for the proposed dedicated specialist licence are yet to be determined and will be developed through regulations following a Regulatory Impact Statement (RIS) and through consultations with stakeholders via a working group. As the Position Paper notes, this working group process will be used to establish the appropriate training packages and units of competency to prescribe for new practitioners and those transitioning from general plumbing or restricted water plumbing licences.

As we have maintained through the framework development process, Industry believes the key eligibility criteria for specialist fire protection licensing should be the appropriate Certificate III qualification, consistent with the requirements in Queensland and Victoria, and it looks forward to discussing the details of eligibility and transition arrangements with the Commission.

1. Fire Safety Assessors

The Position Paper proposes that the Accredited Practitioner (Fire Safety) accreditation class will be repealed and replaced by the fire assessor licence class under the Building Bill. The proposal is to give licensed fire assessors a range of inspection and assessment functions throughout the building process (including Form 2 – Fire Safety Schedule, Form 5 – Fire Safety Certificate, and Form 7 AFSS). We think there is a misalignment here between the skills and qualifications of some of those currently accredited under the Fire Protection Accreditation Scheme (FPAS), and the functions and responsibilities allocated to the assessor licence class will require upskilling.

The oversight steps envisaged for licensed assessors are appropriate, however, to do the whole of system testing and interfaced oversight role envisioned for assessors, Industry would argue that they should hold a higher level of qualification and experience than an installer, not less (which would be the case if some current FPAS accredited persons were transitioned directly into this class as flagged in the Paper). Industry submits and will argue in the RIS at the appropriate time, that the eligibility requirements for licencing in the assessor class should be set at a higher, post trade level such as the Certificate IV in Fire Systems Compliance or Diploma in Fire Systems Design or similar.

2. Inspect and Test

The Position Paper is not clear on how Inspect and Test work will be regulated under the new framework. The Paper is clear on who can and should be responsible for signing the AFSS, but silent on routine (monthly, three monthly, six monthly, yearly etc) Inspect and Test work as prescribed in AS1851. Industry is not sure what is being proposed in terms of who it is envisaged will be licensed to do this critical work and what eligibility requirements should apply.

Industry's view of routine maintenance and repair work is that it is all specialised fire protection work should only be completed by a Certificate III level qualified fire protection practitioner. This is why this work should only be completed by those holding a contractor's licence or tradesperson's certificate in the proposed new install and maintain classes.

3. Supervision

Industry also notes that the draft Building Bill (at section 51), gives the Secretary the ability to vary supervision requirements relating to a licence class through the issuing of a practice standard.

Industry would be concerned about a future state where supervision requirements (licenced persons supervising the work of unlicensed persons), which are critical to quality and safe outcomes, are able to be bi-passed or overridden, potentially without any Industry consultation.

In summary, Industry supports the proposed approach to a fire safety regulatory framework in NSW. There is some fine tuning to do however around the roles, responsibilities and qualification levels for the new assessor class, and who will be licensed to do Inspect and Test work.

Should you wish to discuss this submission, please do not hesitate to contact me via email:

Yours sincerely

Shayne La Combre
Chief Executive Officer



29 August 2024

HBA Review Team
New South Wales (NSW) Department of Customer Service

Building the Plumbing
Workforce of the Future

Via Email:

Dear HBA Review Team Members

Position Paper – Building Bill 2024 – Regulation of Prefabricated Building Work

Thank you for the opportunity to provide feedback on the Building Commission NSW (the Commission) Position Paper on the regulation of prefabricated building work.

This response to the Position Paper is from the Plumbing Industry Climate Action Centre and the Plumbing and Pipe Trades Employees Union.

Industry supports the proposed framework. The proposals set out in the Position Paper will be effective in bringing this emerging segment of the construction sector, which increasingly includes plumbing work, into the sphere of regulated work. Defining prefabricated work as building work brings important protections for consumers who purchase or install these products. The proposed licensing of practitioners to do this work will help ensure that work is undertaken by competent, qualified and experienced people, which adds to consumer protection.

Providing the reforms are supported by robust audit and inspection, including ensuring Compliance Certificates are issued at appropriate stages for relevant works, and that responsibilities of licensed practitioners are clear and well communicated and understood, the framework will be effective.

As we covered in our earlier submissions on these reform proposals, prefabricated work which is plumbing work (and would require a Compliance Certificate were it completed on site) should be undertaken or at least oversighted by a suitably qualified and licensed plumber. With prefabricated plumbing systems, there can be access issues after construction which means greater assurance is needed at the point of assembly, not less.



We note that work is underway at a national level by the Australian Building Codes Board to develop standards and related certification protocols relating to these often imported units of assembled plumbing elements. However, even if appropriate standards and certification requirements are identified and established, it remains problematic that work is being installed in the built environment in NSW (and other Australian jurisdictions) which is plumbing work, and the responsible plumbing regulator has no line of sight or ability to determine the quality of that work, conduct inspections etc. The consumer will not have the same level of protection they would otherwise have if the work was traditionally installed plumbing work.

We look forward to continuing to work positively with the Commission to find practical ways to ensure that as far as possible, prefabricated plumbing and building work attracts an appropriate level of regulatory oversight, and that adequate consumer protections apply.

Thank you again for the opportunity to respond to the Position Paper proposing a new regulatory framework for prefabricated and manufactured buildings in NSW.

Should you wish to discuss this submission, please do not hesitate to contact me via email:

Yours sincerely

Shayne La Combre
Chief Executive Officer



Building the Plumbing
Workforce of the Future

5 September 2024

The Policy Team
Building Commission NSW

Via Email:

Dear Policy Team

Building Commission NSW Consultation Paper - Competency Assessments and Proposed Co-Regulation Model

Thank you for the opportunity to provide further feedback on the Consultation Paper relating to the proposal for competency assessments and co-regulation in the Building and Construction Industry in NSW.

As outlined in our submission in July 2024, the NSW Plumbing and Pipe Trades Union (PPTEU) and the Plumbing Industry Climate Action Centre (PICAC) broadly support the proposals outlined in the Discussion Paper. That submission made several key points:

- An effective way **industry knowledge and expertise** can be captured and injected into the regulatory mix ensuring it is through the Accredited Bodies, under the co-regulation model.
- In the Plumbing and Fire Protection Industry, **PICAC** (in which the PPTEU NSW is a key partner) is **uniquely and very well placed** to bring the level of industry knowledge and training expertise required to be an Accredited Body and to be an effective regulatory partner with the Commission.
- In terms of the **structure and operation of the proposed scheme**, we are broadly confident that the arrangements and processes outlined in the Paper are appropriate and sensible.
- **Financial viability** of the proposed co-regulation model is key to its long-term operational effectiveness and ultimately, its success.

Thank you again for the opportunity to comment on the second Discussion Paper and to contribute to the development of what we consider to be a **positive initiative for the sector**.

Should you wish to discuss this submission, please do not hesitate to contact me via email:

Yours sincerely

Shayne La Combre
Chief Executive Officer

Theo Samartzopoulos
NSW State Secretary





Attachment A

Consultation Questions

1. **Do you support the proposed compliance and enforcement tools outlined above? What other compliance mechanisms should the Commission consider?**

Yes. Industry supports the risk-based focus and providing the Commission with the room and scope to focus regulatory efforts on high-risk areas. Industry also strongly backs the intent to better utilise data and intelligence to inform regulatory activity.

It is agreed that the role of the Commission, especially as the scheme is maturing, should be on education, training and upskilling rather than taking punitive action against Accredited Bodies. The idea that the Commission be committed to working with Accredited Industry Bodies to resolve issues and uplift their capability, whilst retaining the necessary enforcement tools, including being able to suspend or cancel an Accredited Industry Body's accreditation, is supported

2. **What further information could the Commission provide to support Accredited Industry Bodies?**

As the Paper notes, support for Accredited Bodies is going to be key to the success of the scheme. Industry strongly supports the provision of guidance material by the Commission relating to the fees Bodies can charge, roles and responsibilities, expectations for the standard of operational processes to be developed by each Body around governance, information-sharing, data storage and privacy. It is noted this could include a standardised process to help Bodies stand up these functions which would be positive.

3. **Are you supportive of a two-tiered model? Why or why not? If you do not support a two-tiered model, do you propose an alternative approach?**

It is believed that this aspect of the proposal needs further consideration. Whilst it is appreciated the intent is to incentivise professional conduct, and to drive up quality, there is concern about the applicability of the Professional Services Scheme (PSS) for this purpose in the context of our sector.

In some settings in professions like law or accounting for example, PSS's can play an effective role. They tend to be of most benefit where there is otherwise an absence of check points at which ongoing competency can be verified or oversighted. However, in construction trades like plumbing and fire protection, where entry level requirements are stringent and the work of practitioners is subject to audit, inspection and rectification, PSS's play a less significant role.



Industry is not aware of how many organisations in the sector which could potentially be Approved Bodies under co-regulation, are also members of PSS's. This information should be ascertained in order to understand the impact of making membership of a PSS the determining factor in regard to which "tier" an Approved Body is on. It may be that entities which the Commission has earmarked to be Tier 1 providers are not in fact members of a PSS.

The issues here go to the core of what the role of Approved Bodies is envisaged to be. Industry's view is that the focus of the Approved Bodies should be on assessing competency to do work under a relevant licence, as opposed to professional development. Competency is the key to quality, and the key to mitigate against bad outcomes for consumers. The Advisory Body's role in our view should be the determiner of competence, assisting the Commission by ensuring only competent applicants present to the Commission requesting a licence.

Professional development, which is where PSS's are focussed, is a "nice to have", but should not be a core function of the Approved Body, and in this context the appropriateness is questioned of a two tiered system based on PSS membership.

- 4. Should the Commission consider any other restrictions or eligibility requirements for certain types of industry bodies? For example, requiring for-profit organisations to demonstrate how they will ensure that their revenue generation objectives will not detract from the overall objectives of the scheme.**

There are no restrictions of which Industry is aware. It is agreed that the separation of training and competency assessment delivery is necessary to mitigate conflict of interest risks and that Industry bodies who are also RTOs be able to become Accredited Industry Bodies and conduct competency assessments (if they meet the eligibility requirements and adhere to the strict ring-fencing requirements outlined in the Paper).

Industry is not in favour of a requirement for Accredited Industry Bodies to be Registered Organisations under the *Fair Work (Registered Organisations) Act 2009* (Cth). It is thought this would add a layer of regulation which is not necessary and impose a barrier to entry for small and medium sized industry bodies. This could adversely affect licence classes with smaller cohorts, where industry bodies may be unable to participate in the co-regulation model.

- 5. Should the Commission prescribe Accredited Industry Bodies within legislation (such as via Gazette) to provide certainty to industry and the public?**

Yes. It is thought that prescribing Accredited Bodies would ensure confidence in the longevity of the co-regulation scheme and provide potential licence applicants with a clear list of which Bodies can conduct competency assessments for each licence class. The points made in the Paper about the difficulties associated with updating the Gazette are agreed, but a balance of the benefits outweighs these challenges.



6. Do these proposed powers and requirements mitigate conflict of interest risks? If not, what other powers and requirements should be considered?

The proposed powers and requirements are appropriate. The model intends to prescribe strong powers for the Commission to oversee and manage conflict of interest risks, including the power to conduct proactive and reactive audits, such as on-site audits, dip sampling and secret shopper activities. These seem adequate.

Accredited Industry Bodies will also need to meet strict requirements including ongoing reporting and disclosure obligations to the Commission; information-sharing to ensure transparency of decisions; and Whistleblower policies. These also seem adequate and appropriate, as do the proposed ring-fencing requirements.

7. Should the Commission, in conjunction with industry, develop and mandate one competency assessment for each licence class? Alternatively, should Accredited Industry Bodies be able to develop and implement a bespoke competency assessment? (Noting this would still be subject to approval by the Commission)

The intention to develop one competency assessment for each licence class in partnership with Industry is supported. This is vital to ensure consistency where multiple Accredited Bodies are conducting assessments for the same licence class. Importantly, this approach would not prohibit an Accredited Industry Body from going above the minimum standards prescribed and offering a more rigorous competency assessment.

This approach will maintain consistency and certainty for Industry bodies, the regulator and licence applicants, and may reduce resourcing and financial burdens for Accredited Industry Bodies.

8. Do you support the proposed approach to require Accredited Industry Bodies to provide an outcomes report to failed applicants? Why / why not?

Yes. It is reasonable that failed applicants should be provided with a summary of the marking criteria and outcomes of their assessment. This report could include clear information about competency gaps and would support failed applicants to identify areas for improvement.



9. Do you have any further questions relating to the financial viability of the proposed co-regulation model?

No. Industry would however like to emphasise that financial viability of the proposed co-regulation model is key to its long-term operational effectiveness and ultimately, its success. In turn, the key to financial viability is the fee structure, to which the maximum fee is central. It is noted that the fee will be set by the Commission with the amount to be subject to further consultation. Industry would very much like to be part of that consultation process, which should include a thorough consideration of the key delivery costs involved for Industry Bodies (not just the cost to applicants or businesses).

10. Do you support Accredited Industry Bodies being required to notify the Commission of all assessment outcomes, including individuals who fail?

Yes.

11. Should individual applicants be required to disclose to an Accredited Industry Body if they have recently failed a competency assessment?

No. This could be prejudicial and unfair for individual applicants.

12. Do you agree that these processes will mitigate risks relating to assessor availability and skills shortages?

No. The first proposed mitigator is not well explained in the Paper ...”many competency assessments are not anticipated to be run via an ‘on-demand’ delivery method for enrolments. This would ensure skilled tradespeople and educators could become assessors as secondary roles, with limited time spent away from their primary role, therefore mitigating risks of skills shortages.” The connection between on demand delivery and secondary roles is not clear.

The other strategy, which would see Accreditation assessment work being undertaken as an additional career pathway for “ageing or medically retired tradespeople”, has some challenges too. The main one is that it cannot be assumed that just because a person has been in the industry for a long time, they have a contemporary understanding of the products systems and techniques required to be successful in the modern industry.

In our part of the broader construction sector, current knowledge of how the industry works in practice is a vital element of effective training and oversight. Plumbing and fire protection systems are evolving and changing all the time. The energy these systems use, the way they operate and the way they interact with other systems in a building is changing all the time. The sector is complex and the skills of the workforce mixed in terms of their specialisations and variable in quality. Age is not necessarily an indicator of contemporary skills.



Another point to consider is that, in plumbing and fire protection and potentially in other trades, practitioners are leaving the trade earlier. Recent data has shown that the age bracket in which most leave the trade is the 30–40-years. The point is that if that trend continues, there will be fewer practitioners in the cohort envisaged by the Commission to perform the role of assessors – even if they did have the right skills and experience, which, as noted above, many do not.

These strategies have potential but would need to be supported with a well-resourced recruitment/awareness raising program and funding for additional training. We think resourcing remains a risk for the scheme and that more work and consultation is required before the risk can be considered mitigated.

13. Do you have any questions about how the co-regulation model will be integrated into the broader regulatory framework proposed under the Building Bill?

The Paper raises several other regulatory issues and levers, such as the use of a Demerit Points system and Education Notices. Industry is broadly supportive of the intent of these mechanisms. The notion of training as disciplinary action and that imposing a condition of this nature will help indirectly addressing gaps in a licence holder's competency to perform the functions they are licenced to undertake, is supported.