

Queensland



Regulatory Impact Statement for SL 2003 No. 173

Queensland Building Services Authority Act 1991

QUEENSLAND BUILDING SERVICES AUTHORITY REGULATION 2003

INTRODUCTION

This Regulatory Impact Statement has been prepared under the provisions of the *Statutory Instruments Act 1992*.

For reference purposes, the *Queensland Building Services Authority Act 1991* may be purchased from Goprint and is also available electronically on the Internet. The relevant Internet address is www.legislation.qld.gov.au.

Enquiries about the Regulatory Impact Statement may be made to:

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Responses and comments on the proposals presented in the Regulatory Impact Statement must be made in writing and should be sent to:

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The closing date for comments is 31 May 2003

Background:

The proposed subordinate legislation (proposed Regulation) remakes the *Queensland Building Services Authority Regulation 1992* with significant amendments in relation to licence classes.

The building and construction industry encompasses a wide range of activity from the construction of residential dwellings and urban development to commercial and industrial building. The industry is a vital element of the State and National economies, having a major impact on many other industries. It is an enabler of investment activity, both relying on and generating investment. In 2001 the industry produced a turnover of \$58.4 billion across Australia and \$11.9 billion in Queensland.

For the majority of consumers, their home is the largest investment they will ever undertake. The process can be costly and complex both technically and legally. Consumers demand a reasonable level of protection against non-completion of contracts, defective work and subsidence. As pointed out in the Home Building Review Report of 1990 to the then Deputy Premier, the Honourable Tom Burns MP,

“The establishing of a licensing framework for ordinary transactions of the type most consumers aspire to (and plan and sacrifice for) is designed to ensure that such aspirations will not be crippled by lack of sophistication or specialist knowledge.”

The *Queensland Building Services Authority Act 1991* (“the Act”) established the Queensland Building Services Authority (“the Authority”) as a body corporate consisting of the Queensland Building Services Board, the general manager and the organisational unit under the control of the general manager. That Act requires that the Board consist of representatives of builders, trade contractors, consumers, the general insurance industry or

accounting profession, the building and construction unions and the public service.

The Act provides for:

- The maintenance of standards through a licensing framework;
- Increased security of payment through contractual and financial requirements and
- Consumer protection through power to require rectification of defective building work and protection against loss due to incompleteness of contracts, defective work and subsidence through the statutory insurance scheme.

The *Queensland Building Services Authority Regulation 1992* (“the Regulation”) establishes licence classes, the structure for fees and charges that the Authority relies upon for funding its activities, the definition of residential construction work for the purposes of the Statutory Insurance Scheme, the work excluded from the ambit of the definition of “building work” as well as various other matters.

Currently under the Act, although employees are not required to be licensed, those who are subcontracted to carry out building work must be licensed. Over recent years the industry trend away from employment and towards subcontracting arrangements has led to increased demand for restricted licence classes, which allow persons assessed against certain competencies to carry out a narrowly defined scope of work.

The increased number of restricted licence classes has resulted in some confusion for consumers and concern in the industry that the trend will adversely affect building standards.

In September 2000, the building and construction industry called for the Building Services Authority licensing framework to be aligned with formal training regimes including national/state qualifications and supporting units of competency. In particular, industry highlighted the need to reduce the number of “restricted” licence classes by recognising only full trade qualifications and to reduce the sectors of the wider industry currently regulated under the Queensland Building Services Authority Act 1991.

In response the Building Services Board established a working party comprising industry representatives to conduct a review of the licensing framework and licence classes. The working party reported to the Board and Minister in October 2001 with 21 recommendations.

Following further consultation with specific industry sectors a proposed new licence class framework has been developed. The table in Appendix 1 shows a comparison of the current licence classes and the proposed new licence class framework and brief comments concerning the qualifications to which licence classes are aligned.

To support the proposed new framework, the *Queensland Building Services Authority and Other Legislation Amendment Act 2003* among other matters, removes the requirement to be licensed from those who subcontract to licensed trade contractors to carry out work within the licensed trade contractor's approved scope of work. Such unlicensed persons will not be permitted to contract directly with the public or with builders.

Under Section 54 of the *Statutory Instruments Act 1992*, subordinate legislation expires after ten years. The *Queensland Building Services Authority Regulation 1992* ("the Regulation") was due to expire on 1 September 2002. However an extension from expiry was approved for one year on the basis that the Regulation was under review.

Authorising Law

The *Queensland Building Services Authority Act 1991* establishes the Queensland Building Services Authority and the Queensland Building Services Board, which is comprised of industry representatives, to work in partnership in administration of the Act.

Section 116 provides a head of power for the making of a Regulation under the Act.

Policy Objectives:

The objectives of the Act are –

- (a) To regulate the building industry –
 - (i) to ensure the maintenance of proper standards in the industry; and
 - (ii) to achieve a reasonable balance between the interests of building contractors and consumers; and
- (b) to provide remedies for defective building work; and

- (c) to provide support, education and advice for those who undertake building work and consumers.

The policy objectives of the proposed Regulation are in line with those of the Act to promote equity and confidence in the industry through the maintenance of proper standards and by providing a reasonable level of assurance and protection for consumers.

Legislative Intent:

The licensing regime was developed in partnership with industry and Government. Without legislation, consumers would be at high risk of loss through defective workmanship and fraudulent activities.

Following the Licence Class Review and in line with the recommendations of the Board-appointed working party comprised of representatives of builders, trade contractors, registered training organisations (both private and public) and unions, all licence classes have been reviewed to remove the anomalies from the licensing structure and better align licence classes with training outcomes.

The proposed Regulation will provide clarification in relation to a number of issues including approved scopes of work and relevant technical and managerial requirements for all licence classes. Ultimately the intent of this legislation is to achieve improved standards within the building industry, less defective work and consequently less consumer detriment and claims on the Statutory Insurance Scheme.

Consistency with authorising law:

The proposed Regulation is consistent with the authorising law.

Consistency with other legislation:

The proposed legislation is not inconsistent with any other Queensland legislation.

The Queensland Government is a signatory to the national vocational Education and Training System through the Australian National Training Authority (“ANTA”) Ministerial Council. The effect of this is that the Government has agreed to the methodology for the development and

approval of training courses/packages for endorsement at the national level by ANTA and for subsequent adoption at State level.

Through Builders Licensing Australia (“BLA”) and Construction Training Australia, the Authority is working with interstate authorities towards consistency of regulation while at the same time taking a lead role in aligning licence classes with training outcomes in accordance with the Australian Qualifications Framework.

Fundamental Legislative Principles:

The proposed Regulation is consistent with fundamental legislative principles.

National Competition Policy:

A Public Benefits Test of the *Queensland Building Services Authority Act 1991* and Regulations was conducted in 2002. Anyone interested in the outcome of the review can access the report at www.housing.qld.gov.au/bsareview/report.htm.

Identification of Alternatives

For the purpose of this Regulatory Impact Statement, three options have been identified in relation to the Queensland Building Services Authority Regulation:

1. No Regulation

The regulation of the building industry in Queensland is in the interests of the industry as well as being necessary for the protection of consumers. Without regulation of the industry, there would be unacceptable risk of sub-standard building work, a decrease in the financial viability of the industry and far reaching negative economic and social implications for the State and government.

2. Remaking the current Regulation

Retaining the Regulation would fail to address critical issues, relevant to the future of the industry. These issues include the need to reduce

the number of licence classes and realign those classes with the National Training Framework. The Regulation currently contains 111 licence classes.

3. Proposed Regulation

The major changes resulting from the proposed Regulation would be in relation to the implementation of recommendations arising from a Licence Class Review.

The Licence Class Review Working Party reported in October 2001 with 21 recommendations which were endorsed by the Board and the Minister for Public Works and Minister for Housing for further consideration and implementation.

The Working Party recommended a reduction in the number of restricted licence classes and the alignment of technical requirements for licensing with the Australian Qualifications Framework.

The Working Party also recommended that the “one card” licensing system be retained in preference to other models but that those practitioners who subcontract to licensed trade contractors to carry out work within the licensed trade contractor’s approved scope of work should not be required to be licensed. This issue was addressed in the Queensland Building Services Authority and Other Legislation Amendment Act 2003, which was assented to on 4 March 2003.

Under current legislation only those licensed in General Building and House Building are entitled to coordinate the work of trade contractors. However in some sectors, licensees need to subcontract to practitioners for building work outside their own approved scope of work, for example a person with a licence in Kitchen, Bathroom and Laundry Installation may need to engage a plumber or painter.

To address this need, it is proposed to redefine the licence classes of Kitchen, Bathroom and Laundry installations, Swimming Pool Construction, Structural Landscaping and Shopfitting as restricted builder licences. The technical requirements for these licence classes will be completion of selected modules from Certificate IV (Building).

Further consultation has indicated that in addition to the proposed new Builder restricted to Shopfitting licence, the trade level licence class of Shopfitting should be retained for those who wish to work only

within the approved scope of work for a shopfitters licence which would be aligned to the training outcomes of a shopfitting apprenticeship. Similarly it is proposed to retain a licence in Structural Landscaping aligned to Certificate III Horticulture (Landscaping) to meet the demand of those who carry out this work and do not wish to coordinate trades.

Industry has sought some certainty in relation to the legality of carrying out incidental work, which is related to, but technically outside of the licensee's approved scope of work. It is proposed that contractors should have the right to carry out incidental work and be able to engage other contractors, for example contractors with licences in Fire Protection or Plumbing licences, where the aggregate value of such incidental work does not exceed \$1100.

The Licence Class Review Working Party recommended that the value of work excluded from the operation of the Act be reviewed and revised against all trades to determine appropriate thresholds of value for regulated building work.

A review of the threshold for all classes was undertaken. While some sectors argued for a lower threshold, particularly the glazing and waterproofing sectors, generally industry groups consulted were most concerned that the threshold value should be consistent and remain at the current value except for those licence classes relating to work that requires a licence issued by another authority for example, plumbing work and pest control or specialised training, such as is required for fire protection.

The threshold for regulated building work carried out under most licence classes is currently \$1100. This means, for example, a person may carry out carpentry or concreting work valued at up to \$1100 without requiring a licence. However this threshold does not exist for the work carried out under the licence classes for gas fitting, pest control, plumbing and draining, building design, completed building inspections, fire protection and site classification. In these cases the threshold does not apply and anyone carrying out work of this nature requires a licence.

In addition to comments about the proposed Regulation generally, comments are invited in relation to the specific issue of the threshold for regulated building work. Having regard to the associated impact on competition and costs, particularly in remote and rural areas, any

proposal to reduce the threshold for regulated work should be accompanied by relevant supporting material.

All licence classes were reviewed to determine if licensing should be continued having regard to the apparent associated risk to consumers of deregulation. As a result it is proposed that interior design and insulation should be excluded by Regulation from the definition of regulated building work.

Further details of the relevant scopes of work in draft form for each of the proposed licence classes are available upon request from the Authority.

Options and Impact on Stakeholders

1. NO REGULATION

Impact on Stakeholders

(a) Industry

Benefits

If the building industry were not regulated at all, practitioners would not be obliged to meet any particular standards in terms of qualifications or financial capacity and would not be required to pay licence application or renewal fees. This would result in considerable financial savings, e.g. licence fees received by the Authority in the last financial year amounted to \$11.35M.

Contractors currently required to have professional indemnity insurance might choose not to take up this insurance. Although this would expose individuals to risk of major financial loss resulting from litigation, there would be savings for the majority of those licensees.

Anyone, regardless of their level of knowledge and competency, could contract for building work. This would result in savings on education and training.

If practitioners were not required to demonstrate financial capacity, there would be savings in accountancy fees.

Costs

Lack of regulation in the industry would lead to increased incidence of defective work, increased costs arising from litigation, escalated damages claims and loss of confidence in the industry.

Industry participants, particularly subcontractors, would be placed at increased risk of non-payment for a variety of reasons including disputes about defective work and business failures. Consequently legal costs in respect of disputes between industry participants would also be likely to increase.

(b) Consumers**Benefits**

Although there is already provision in the existing regulation for consumers to engage unlicensed persons to undertake certain types of work valued at less than \$1100, complete deregulation of the building industry would increase competition from the home handyman sector which generally provides services at lower rates.

Costs

Without regulation, consumers would be placed at high risk of defective work. Defective work would inevitably result in financial costs for rectification and/or litigation and place consumers at risk of potential injury and loss of life. For example, failure to properly install and/or maintain fire protection systems.

In line with the current number of notified disputes, at least 5000 disputes could proceed to litigation per year. However this number would increase if there were no laws requiring technical qualifications for licensing.

Furthermore, without regulation, consumers would not be covered by the Statutory Insurance Scheme against defective work, subsidence and non-completion of contracts.

(c) Government

Benefits

There would be no clear benefit to Government in terms of cost savings if the building industry were not regulated as the Building Services Authority is funded by licence fees and other charges.

Costs

The Government could expect strong criticism from all stakeholders if the building industry were not regulated.

The Government is one of the largest clients of the Queensland building industry. Lower standards in the building industry would adversely affect the Government as well as other consumers, in terms of time and labour to rectify defective work and legal costs relating to non-completion of contracts and subsidence.

Without regulation, the Authority would not be in a position to assist Government by checking the financial capacity of prequalified contractors for capital works projects. Without this checking process, Government could be at greater risk of incomplete and defective work and costs associated with legal action to resolve contractual disputes.

2. REMAKING THE CURRENT REGULATION

Impact on Stakeholders

(a) Industry

Benefits

The current licence class framework allows people without full trade qualifications to obtain restricted licences in a range of classes on the basis of competency assessments. A restricted licence allows the licensee to contract directly with builders or members of the public or to subcontract to other trade contractors in the same field to carry out building work within the approved (but limited) scope of work for the restricted licence class.

Licensees must satisfy financial, managerial and technical requirements for licensing. This promotes confidence in the

marketplace, maintains building standards and works to exclude unqualified and unlicensed persons from competition.

Costs

Licence fees are based upon the complexity of licence applications and renewals and the licensee's turnover levels. For example, the application of an individual trade contractor with an annual turnover of less than \$75,000 who can self certify as having \$5,000 in assets is relatively simple compared to the application of a large company with an annual turnover of several million dollars that needs to provide financial statements, in some cases deeds of covenant and other information.

TABLE OF LICENCE FEES AND CHARGES

	Application	Renewal
Individual Trade Contractor turnover less than \$75,000	217	165
Individual Trade Contractor turnover from \$75,000 to \$250,000	248	207
Individual Building Contractor turnover less than \$250,000	248	207
Individual Allowable turnover from \$250,000 to \$10 million	341	248
Individual Allowable turnover more than \$10 million	465	372
Individual Supervisor	124	124
Company Trade Contractor turnover less than \$75,000	362	331
Company Trade Contractor turnover from \$75,000 to \$250,000	413	413
Company Building Contractor turnover less than \$250,000	413	413

TABLE OF LICENCE FEES AND CHARGES

	Application	Renewal
Company Allowable turnover from \$250,000 to \$10 million	568	496
Company Allowable turnover more than \$10 million	775	744

OTHER FEES AND CHARGES	FEE\$
Owner-builder permit – less than \$11,000	121
Owner-builder permit –more than \$11,000	244
Supply of licence card	5
Supply of licence certificate	17
Register certificate	24
Insurance statement	28
Insurance premium per \$1,000 of building work	6.20
Minimum insurance premium	124
Maximum insurance premium	1240

The total cost to industry of licence fees in the 2001-02 financial year was \$11.35M

Other compliance costs for industry include accountancy fees associated with meeting the financial requirements for licensing on application and at annual renewal. However those licensees whose approved annual turnover does not exceed \$250,000 would be able to self-certify in relation to their assets and financial capacity.

Generally businesses with an annual turnover of more than \$250,000 would use the services of accountants as a matter of course and any additional costs incurred in relation to compliance with the Queensland Building Services Authority Act would not be regarded as significant.

Licence classes are defined in relation to an approved scope of work based on training outcomes. However in some cases, the current Regulation does not adequately reflect contemporary training outcomes and if left unchanged would disadvantage new entrants to the industry.

At the same time, it is considered likely the number of licensees with limited qualifications and restricted scopes of work would increase. If they may obtain a restricted licence on the basis of limited competencies, some people would prefer to do so and avoid undertaking full trade qualifications. The availability of restricted licence classes acts as a disincentive for young people to undertake apprenticeships and achieve full trade qualifications and is considered detrimental to building standards and the future of the building industry.

(b) Consumers

Benefits

Licensing would work to exclude from the industry those who are unable demonstrate technical competence and adequate financial capacity and would help to protect consumers against defective building work and non-completion of contracts.

Exclusions from the definition of “building work” include work to the value of \$1,100 within the scope of work of most licence classes. This threshold for regulated building work allows the unlicensed home handyman sector to undertake minor work for homeowners in competition with the licensed sector.

Consumers and business would be able to access Authority’s public register of licensees via the Internet and benefit from the information provided when choosing a contractor. In the 2001-02 financial year, there were over 5.6 million hits on Authority’s website and 191,000 licence searches were carried out.

Costs

The level of dispute notifications received by the Authority, approximately 5000 per year, is symptomatic of some dissatisfaction with work standards.

There would be no immediate impact for consumers if the current licence classes remained the same. However, if no action is taken to improve work standards, costs relating to defective and substandard work are likely to increase. It seems clear that a shortage of skilled

tradespersons in the future would lead to increased costs and delays in building work.

(c) Government

Benefits

At 30 June 2002, there were 50,190 licensed contractors and during the 2001/02 financial year, \$11.35M was collected in licence application and renewal fees. This revenue was retained by the Authority to provide services including providing information and advice to the building industry and consumers, licensing, compliance activity and dispute management.

As a major client of the building industry in Queensland, the Government would benefit by ensuring through regulation that industry standards were maintained.

The regulation of the building industry would work to encourage development in Queensland without which there would be shortages of housing and commercial construction. Regulation of the industry would provide increased employment and investment opportunities and indirect benefits to the community at large.

During the 2001/02 financial year, the Authority acted as an agent of the Government in assessing the financial capacity of licensed contractors tendering for capital works projects. During the year 309 financial assessments were completed with 12.6% of contractors assessed as unsatisfactory. As a result these contractors were not considered for government contracts thus removing significant risk of non-completion, substandard work and non-payment of subcontractors.

Costs

The Authority is self-funded and under its legislation is required to maintain two funds – the General Statutory Fund and the Statutory Insurance Fund. The General Statutory Fund meets all operational costs except those relating to insurance claims and the administration of the insurance scheme, which is met by the Insurance Fund.

The complexity of the licence classes would be a contributing factor in the rising cost of administration of the licensing regime in terms of

consumer and contractor enquiries, dispute resolution and compliance/legal issues.

3. PROPOSED REGULATION

Impact on Stakeholders

(a) Industry

Benefits

The benefits for industry would be the same as for Option 2 (Remaking the current Regulation) but there would be additional benefits associated with this option.

Industry sectors have been widely consulted and generally endorse the proposed amendments to the Authority's licensing regime. For list of consulted parties see Appendix 2.

The amendments to the existing framework would not disadvantage current licensees but would encourage new entrants to the industry to gain appropriate qualifications aligned to the National Training Framework to ensure there will be no shortage of skilled tradespersons in the future. (See Appendix 1).

Most licence classes would be transitioned into the corresponding class within the new licence class framework. The new licence classes provide for an approved scope of work that is more closely aligned to current training outcomes. Those licensees whose qualifications fall short of those required for a licence in the new framework would be permitted to retain their existing licences.

Currently licensees with a licence in House Building are permitted to build three-storey multi-unit dwellings with type B construction, which requires a knowledge of certain fire protection standards. However under the new framework, such buildings would not be within the approved scope of work attached to a Builder-Low Rise licence, but rather the licence class of Builder-Medium Rise for which a higher technical qualification is required.

It is proposed that if a licensee chooses to retain their current House Building licence, the licensee would be permitted to do so. However, the approved scope of work for a House Building licence in the current framework does not include work on commercial sites.

It is proposed that House Building licensees would be given the option of a transition to Builder-Low Rise at the time of their licence renewal or at any time over a period of two years. The approved scope of work for the licence class of Builder-Low Rise would include low-rise commercial buildings but not three-storey multi-unit dwellings with type B construction.

If House Building licensees can demonstrate one-years experience in constructing three-storey multi-unit dwellings with type B construction, they would be transitioned to the Licence class of Builder-Medium Rise.

Licensees with the class of General Builder 1 would be automatically transitioned to the Builder-Low Rise licence class. This would allow them to build all types of low-rise buildings including houses.

It is proposed to deregulate insulation work and interior design work due to the apparent low risk to consumers in these sectors. This type of work would be specifically excluded from the definition of building work. Currently there are 2 companies and 2 individuals with interior design licences only and 23 companies and 34 individuals with insulation licences only. This represents savings of approximately \$18,000 per year in licence renewal fees for those individuals.

In the new framework new licence classes would be created in Building restricted to Kitchen, Bathroom and Laundry Installation, Building restricted to Shopfitting, Building restricted to Swimming Pool Construction and Building restricted to Structural Landscaping. These new licence classes recognise the need for trade co-ordination in these fields.

Under the current Regulation, licensees in those fields are not entitled to contract subcontractors to carry out work outside the approved scope of work for their own licence class. Under this proposed option, licensees would be able to legally subcontract other licensed trade contractors to carry out work relative to their scope of work.

It is proposed that there would also be licences available in Shopfitting and Structural Landscaping to cater for those persons who do not intend to coordinate the work of other contractors.

As a result of recent amendments to the Act, persons who subcontract to trade contractors to carry out work within the approved scope of work of the licensed trade contractor will not be required to be licensed. However such unlicensed persons will not be permitted to

contract directly with builder contractors or the public. This proposed amendment arose because of the trend away from employment and towards subcontracting within the industry. Employees of licensees are not required to be licensed.

This amendment will allow those who specialise in a very restricted scope of work to continue to work in the industry as long as they are employed by, or subcontracted to, an appropriately licensed contractor. For example, a person currently licensed in carpentry restricted to latticework could choose not to renew their licence if they subcontract to a licensed carpenter.

However, if they want to contract directly with the public or a builder, they would need to retain their restricted licence. If they fail to renew their licence and later decide to re-enter the industry to again contract directly with the public, they would need to upskill to meet the technical qualifications for a licence in carpentry.

It is anticipated lifting the standards of technical requirements through the new licence class framework will lead to improved standards in workmanship, less defective work to be rectified, less claims against the Statutory Insurance Scheme and improved financial viability through lessened rectification costs and contractual disputes.

Costs

Under this proposal, anyone who holds a current licence would continue to hold a licence. However new licences would not be issued in some restricted licence classes. This would mean that if a licensee failed to renew a licence and it lapsed, they might need to undertake further training to obtain a licence in the proposed new framework.

In any case, contractors currently holding restricted licence classes might choose to upskill and gain unrestricted licences. Cost of training courses and competency assessments would be variable but would generally be tax deductible. Upskilling could be considered an investment for many contractors because by becoming qualified for an unrestricted licence they would be entitled to undertake a broader scope of work and be more competitive.

New entrants to the licensing regime would face higher costs if they seek to gain a licence on the basis of demonstrated competencies, as they would be required to demonstrate a broader range of competencies than is currently required to obtain a restricted licence.

However those who choose not to undertake training could be subcontracted to or employed by a licensee and work within the industry in an unlicensed capacity provided that they do not contract directly with builders or the public.

(b) Consumers

Benefits

The benefits of this option would be the same as for Option 2 but there would be additional benefits. The amended licence class structure would be geared to reduce the number of restricted licence classes available over time and require new entrants to the industry to obtain qualifications, which are aligned to the National Training Framework. It is anticipated that a more highly skilled workforce would result in improved standards of workmanship and increased customer satisfaction.

It is considered that the elimination of a number of restricted licence classes would reduce the risk of consumers inadvertently engaging inadequately qualified contractors.

Costs

The proposed amendments to the existing Regulation would not impose any appreciable cost upon consumers.

(c) Government

Benefits

The benefits for Government would be the same as for Option 2. In addition, stricter technical requirements for licensing should lead to improved work standards and consequently less disputes. It is anticipated that the proposed new licence class framework, which would have fewer licence classes, would simplify administration and reduce costs for the Authority.

Costs

As the Authority would continue to be self-funded, the costs to Government would be not more than as for Option 2.

SUMMARY

Three options have been considered for the regulation of the Queensland Building Industry – no regulation, remaking the current regulation and the proposed Regulation.

Under the *Statutory Instruments Act 1992* the current regulation would have expired on 1 September 2002. However an extension was sought until 1 September 2003.

The risk of no regulation to industry, consumers and Government is considered to be unacceptable. The current regulation provides significant benefits to industry, consumers and government. However, the third and preferred option is the remaking of an amended regulation, which would take into account Government-endorsed recommendations of the Licence Class Review Working Party.

APPENDIX 1

LICENCE CLASS FRAMEWORK

The arrow symbol indicates that licensees may be automatically transitioned from their current licence class to the relevant licence class in the new framework.

It is proposed that those with restricted licences who cannot be moved into a licence class under the new framework will retain their licence but if they allow it to lapse, they will be required to upskill before being issued with a licence under the new framework.

Insulation and interior design will be excluded from the definition of building work.

Persons who subcontract to licensees with a “builder class” licence as marked (X), to carry out building work, will be required to be licensed. It will be an offence for a person with a “builder” licence to subcontract to a person who is not appropriately licensed.

*No of Licensees as at 1/7/02.

CURRENT FRAMEWORK	LIC*		NEW FRAMEWORK	COMMENTS
Building Design	172	→	Building Design Open	Aligned with Degree in Built Environment or Building Design or Adv Diploma Architectural Technology
Building Design Limited	314	→	Building Design Medium Rise	Aligned with Diploma Architectural Drafting
Residential Design	667	→		
Residential Design Limited	154	→		
Building Interior Design	13	→	To be deregulated	Low risk to consumers.
Residential Interior Design	9	→		
General Building	10172	→	Builder Open (X)	Aligned with Adv Diploma in Building
General Building restricted to 3 storeys	534	→	Builder Medium Rise (X)	Aligned with Diploma in Building
General Building restricted to 1 storey	1493	→	Builder Low Rise (X)	Aligned with 14 out of 18 modules from Certificate IV in Building (pending Certificate IV review)

CURRENT FRAMEWORK	LIC*		NEW FRAMEWORK	COMMENTS
Housebuilding (X)	17058	→	TRANSITION TO NEW FRAMEWORK WILL BE OPTIONAL	No further licences will be issued in Housebuilding. Current licensees will be advised about new scopes of work for builder-low rise and builder-medium rise and given the option of retaining their current licence or transitioning to builder-low rise which includes commercial buildings but does not include three storey multi-dwelling units. If they can demonstrate 1 years experience in building three storey multi-unit dwellings they may be transitioned to the class of builder-medium rise.
Building Restricted (X) Non Structural Renovations Repairs and Maintenance Renovations - Wet Areas Alterations and Additions External Finishes Renovations, Repairs and Maintenance	66 1759 185 1431 54 78		NOT TO BE AUTOMATICALLY TRANSITIONED	No further licences to be issued in these classes.
Completed Building Inspections Restricted to Residential Buildings Restricted to Commercial Buildings	202 112 26	→ →	Completed Building Inspections To be deregulated	Completed Building Inspection is defined under QBSA and Other Legislation Amendment Act 2003 to refer only to residential buildings. Low risk due to qualifications of persons usually engaged to carry out the work.

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CURRENT FRAMEWORK	LIC*		NEW FRAMEWORK	COMMENTS
Kitchen, Bathroom & Laundry Installations	161	→	Builder restricted to Kitchen, Bathroom and Laundry Installations (X)	Current licensees to retain scope of work. New Applicants required to be assessed against relevant modules of Certificate IV in Building.
Hydraulic Services Design (1)	139	→	Hydraulic Services Design (1)	No change proposed
Hydraulic Services Design (2) excluding on-site domestic waste water management		→	Hydraulic Services Design (2)	
Site Classification	28	→	Site Classification	No change proposed
Bricklaying	2209	→	Bricklaying and Blocklaying	Aligned to Cert III, Bricklaying. Licensees were previously restricted to Blocklaying because of lack of experience in bricklaying. This will be addressed in training.
Restricted to Blocklaying	14	→		
Restricted to Brick and Segmental Paving	233	→		
Building restricted to Building Removal (X)	117		NOT TO BE AUTOMATICALLY TRANSITIONED	No further licences in this class. Current licensees to retain scope of work. In future Builder-Low Rise licence class will be required for this work.
Carpentry Formwork	408		NOT TO BE AUTOMATICALLY TRANSITIONED	No further licences to be issued in this class. Current licensees may retain licence or if they have the appropriate qualifications, apply to be transitioned into the Carpentry licence class.

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CURRENT FRAMEWORK	LIC*		NEW FRAMEWORK	COMMENTS
Carpentry	9423	→	Carpentry (Frame-work/Form-work/Finishing)	Aligned with Certificate III in General Construction (Carpentry - Framework/Formwork/Finishing)
Restricted to Lattice Work and other Timber Products	11		NOT TO BE AUTOMATICALLY TRANSITIONED	
Restricted to Outdoor Construction	299		NOT TO BE AUTOMATICALLY TRANSITIONED	
Restricted to Framing	58		NOT TO BE AUTOMATICALLY TRANSITIONED	
Restricted to Joinery Products	58	→	Joinery	Aligned with Certificate III in Off Site Construction(Joinery)/(Stair Construction)
Restricted to Internal Finishes	1367		NOT TO BE AUTOMATICALLY TRANSITIONED	No further licences to be issued in this class.
No current licence class	0		Cabinetmaking	Aligned with Certificate III in Furnishing (Cabinetmaking)
Concreting	2231	→	Concreting	Aligned with CTQ001 (Concrete Worker)
Restricted to Concrete Repairs	36		NOT TO BE AUTOMATICALLY TRANSITIONED	No further licences to be issued in this class. (UPSKILLING ENCOURAGED)
Restricted to Light Concreting	353		NOT TO BE AUTOMATICALLY TRANSITIONED	No further licences to be issued in this class. (UPSKILLING ENCOURAGED)
Restricted to Minor Repairs	142		NOT TO BE AUTOMATICALLY TRANSITIONED	No further licences to be issued in this class. (UPSKILLING ENCOURAGED)

CURRENT FRAMEWORK	LIC*		NEW FRAMEWORK	COMMENTS
Restricted to Special Finishes	39		NOT TO BE AUTOMATICALLY TRANSITIONED	No further licences to be issued in this class. (UPSKILLING ENCOURAGED)
Restricted to Piling & Foundations	15	→	Foundation Work Piling/Anchors	Aligned with Certificate III in Civil Construction
Restricted to Underpinning and Foundation Repairs	10		NOT TO BE AUTOMATICALLY TRANSITIONED	No further licences to be issued in this class. (UPSKILLING ENCOURAGED)
Steelfixing	291	→	Steelfixing	To be aligned with CTQ004 (Steelfixing)
Screw in Foundations	19		NOT TO BE AUTOMATICALLY TRANSITIONED	No further licences to be issued in this class. (UPSKILLING ENCOURAGED)
Fire Fighting Appliances	300	→	Fire Fighting Appliances	Because of the fragmentation of this sector there is no one single licence class. Where appropriate, licence classes are aligned with relevant occupational licences issued by Plumbers and Drainers Board
Fire Hydrants and Hose Reels	605	→	Fire Hydrants and Hose Reels	
Fire Detection Systems	207	→	Fire Detection Systems	
Fire Sprinkler Systems (I&C)	173	→	Fire Sprinkler Systems (Other than D&R)	
Fire Sprinkler Systems (D&R)	50	→	Fire Sprinkler Systems (D&R)	
Fire Suppression Systems	195	→	Fire Suppression Systems	
Passive Fire Equipment (Wall and Ceiling)	122	→	Passive Fire Equipment (Wall and Ceiling)	

CURRENT FRAMEWORK	LIC*		NEW FRAMEWORK	COMMENTS
Passive Fire Equipment (Fire Doors and Shutters)		→	Passive Fire Equipment (Fire Doors and Shutters)	
Fixed Fire Pumpsets	158	→	Fixed Fire Pumpsets	
Floor Finishing And Covering	249	→	Floor Finishing and Covering (Hard Sector Only)	Aligned with Cert III in Furnishing (Floor Covering and Finishing) Hard Work Area
Restricted To Cork	11		NOT TO BE AUTOMATICALLY TRANSITIONED	No further licences to be issued in these restricted classes. Upskilling will be encouraged.
Restricted To Floor Sanding And Finishing – Timber Floors	74		NOT TO BE AUTOMATICALLY TRANSITIONED	
Restricted to Installation Floating Flooring	12		NOT TO BE AUTOMATICALLY TRANSITIONED	
Restricted To Installation Strip Flooring-Non Structural	8		NOT TO BE AUTOMATICALLY TRANSITIONED	
Restricted To Parquetry Flooring	10		NOT TO BE AUTOMATICALLY TRANSITIONED	
Restricted To Seamless Flooring	19		NOT TO BE AUTOMATICALLY TRANSITIONED	
Gas Fitting	1576	→	Gas Fitting	Occupational Licence issued by the Chief Gas Examiner.
Glazing	601	→	Glazing, Glass and Aluminum	Aligned with Certificate III in Furnishing (Glass and Glazing)
Insulating Restricted to Residential Insulation	190 9		TO BE DEREGULATED	No further licences to be issued in these classes. Low risk to consumers.

CURRENT FRAMEWORK	LIC*		NEW FRAMEWORK	COMMENTS
Metal Fabrication	1454	→	Structural Metal Fabrication & Erection	Aligned with Certificate III in Engineering Fabrication Trade (Boilermaking)
Restricted To Non Structural Metal Fabrication	258	→	Non Structural Metal Fabrication and Installation	Aligned with Cert III in Engineering, Mechanical or Fabrication Trades
Restricted To Sheds Garages And Carports	141	→	Sheds, Carports, Garages	Formal Training to be developed within 2 years- Review of current National competency Standard Licence Profile as interim criteria
Painting	3880	→	Painting and Decorating	Aligned with Cert III in General Construction (Painting and Decorating)
Restricted to New Domestic Buildings	204		NOT TO BE AUTOMATICALLY TRANSITIONED	No further licences to be issued in this class. (UPSKILLING ENCOURAGED)
Restricted to Repainting Domestic Buildings	202		NOT TO BE AUTOMATICALLY TRANSITIONED	No further licences to be issued in this class. (UPSKILLING ENCOURAGED)
Restricted to Roof Painting	49		NOT TO BE AUTOMATICALLY TRANSITIONED	No further licences to be issued in this class. (UPSKILLING ENCOURAGED)
Restricted to Special Finishes	23		NOT TO BE AUTOMATICALLY TRANSITIONED	No further licences to be issued in this class. (UPSKILLING ENCOURAGED)

CURRENT FRAMEWORK	LIC*		NEW FRAMEWORK	COMMENTS
Pest Controlling	660	→	Termite Management Systems (Chemical)	Pest Control Operator's Licence issued by the Department of Health and demonstrated competency in Unit 8 PRMPM and Unit 10PRMPM
Restricted to Termite Barrier Installation	168		Termite Management Systems (Physical)	Certification by the manufacturers of the relevant product or system re satisfactory completion of course of instruction to enable the installation of the product in accordance with the manufacturers specification or any other applicable standard.
Plastering Solid	723	→	Plastering Solid	Aligned with Certificate III in General Construction (Solid Plastering)
Plastering Drywall	1711	→	Plastering Drywall	Aligned with Certificate III in General Construction (Wall and Ceiling Lining)
Restricted to Cornice Fixing	48		NOT TO BE AUTOMATICALLY TRANSITIONED	No further licences to be issued in this class. (UPSKILLING ENCOURAGED)
Restricted to Partition Installation	28		NOT TO BE AUTOMATICALLY TRANSITIONED	No further licences to be issued in this class. (UPSKILLING ENCOURAGED)
Restricted to Plaster Setting	41		NOT TO BE AUTOMATICALLY TRANSITIONED	No further licences to be issued in this class. (UPSKILLING ENCOURAGED)
Restricted to Suspended Ceiling Fixing	31		NOT TO BE AUTOMATICALLY TRANSITIONED	No further licences to be issued in this class. (UPSKILLING ENCOURAGED)

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CURRENT FRAMEWORK	LIC*		NEW FRAMEWORK	COMMENTS
Restricted to Wall Board Fixing	80		NOT TO BE AUTOMATICALLY TRANSITIONED	No further licences to be issued in this class. (UPSKILLING ENCOURAGED)
Plumbing and Draining	4247	→	Plumbing and Draining	Plumber and Drainers Licence issued by the Plumbers and Drainers Examination and Licensing Board
Restricted to Plumbing	106		NOT TO BE AUTOMATICALLY TRANSITIONED	No further licences to be issued in this class. (UPSKILLING ENCOURAGED)
Restricted to Draining	152	→	Draining	Drainers Licence issued by the Plumbers and Drainers Examination and Licensing Board
Restricted to Roofing and Wall Cladding	792	→	Metal Roof and Wall Cladding	Aligned with Certificate III in Services (Metal Roofing and Wall Cladding)
Restricted to Urban Irrigation	118	→	Irrigation	Aligned with Restricted Water Licence issued by Plumbers and Drainers Examination and Licensing Board
Restricted to Fascias Barges Gutters & Downpipes	45	→	Metal Fascias and Gutters	Selected competencies from Certificate II in Metal Roofing and Cladding
Restricted to Wall Cladding	11		NOT TO BE AUTOMATICALLY TRANSITIONED	No further licences to be issued in this class. (UPSKILLING ENCOURAGED)
Restricted to Skylight & Ventilator Installation	36		NOT TO BE AUTOMATICALLY TRANSITIONED	No further licences to be issued in this class. (UPSKILLING ENCOURAGED)
Solid Fuel Heater Installations	10		NOT TO BE AUTOMATICALLY TRANSITIONED	No further licences to be issued in this class. (UPSKILLING ENCOURAGED)

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2003

CURRENT FRAMEWORK	LIC*		NEW FRAMEWORK	COMMENTS
Restricted to Tanks - Water Supply	38		NOT TO BE AUTOMATICALLY TRANSITIONED	No further licences to be issued in this class. (UPSKILLING ENCOURAGED)
Refrigeration, Air Conditioning and Mechanical Services	907		NOT TO BE AUTOMATICALLY TRANSITIONED	These licensees will be provided with details of the approved scopes of work within the new framework and will be transitioned into the appropriate class based on their experience.
No current licence class	0		Refrigeration and Air Conditioning (Open)	Aligned with AQF Level 6 equivalent to advanced diploma
No current licence class	0		Refrigeration and Air Conditioning (Medium)	Aligned with AQF Level 5 (Equivalent to Diploma)
No current licence class	0		Residential and Light Commercial Air Conditioning	Aligned with Certificate III in Engineering (Refrigeration and Air Conditioning)
Restricted To Ducting Manufacture & Installation	23	→	Air Handling Duct Installation	Aligned with Certificate II in Engineering – Fabrication Trade (Duct Erector)
Restricted To Multi Packaged Residential A/C Equipment and Plant	38		NOT TO BE AUTOMATICALLY TRANSITIONED	No further licences to be issued in this class. (UPSKILLING ENCOURAGED)
Restricted To Residential Evaporative Cooling Equipment	10		NOT TO BE AUTOMATICALLY TRANSITIONED	No further licences to be issued in this class. (UPSKILLING ENCOURAGED)
Restricted To S/C W/P Residential A/C Instal	3		NOT TO BE AUTOMATICALLY TRANSITIONED	No further licences to be issued in this class. (UPSKILLING ENCOURAGED)
Roof Tiling	425	→	Roof Tiling	Aligned with Certificate III in General Construction (Roof Tiling)

CURRENT FRAMEWORK	LIC*		NEW FRAMEWORK	COMMENTS
Restricted to Roof Tile Maintenance	46		NOT TO BE AUTOMATICALLY TRANSITIONED	No further licences to be issued in this class. (UPSKILLING ENCOURAGED)
No current licence class			Builder restricted to Shopfitting (X)	New Applicants required to be assessed against relevant modules of Certificate IV in Building. (See below)
Shopfitting	986	→	Shopfitting NOT TO BE AUTOMATICALLY TRANSITIONED	Aligned with Certificate III in Off Site Construction (Shopfitting). Current licensees able to satisfy the Authority of 1 years experience in the approved scope of work for Builder restricted to Shopfitting will be transitioned to the Builder restricted to Shopfitting class
Stonemasonry	175	→	Stonemasonry	Aligned with Certificate III in Stonemasonry
No current licence class			Builder restricted to Structural Landscaping (X)	New Applicants required to be assessed against relevant modules of Certificate IV (Building) or Certificate V (Horticulture). See below.
Structural Landscaping	1194	→	Structural Landscaping NOT TO BE AUTOMATICALLY TRANSITIONED UNTIL LICENCE RENEWAL.	To be aligned with Certificate III (Horticulture) Licensees able to satisfy the Authority of 1 years experience in the approved scope of work for Building restricted to Structural Landscaping will be transitioned to the Builder restricted to Structural Landscaping class
Restricted to Fences	117	→	NOT TO BE AUTOMATICALLY TRANSITIONED	No further licences to be issued in this class.

CURRENT FRAMEWORK	LIC*		NEW FRAMEWORK	COMMENTS
Restricted to Retaining Walls	89	→	NOT TO BE AUTOMATICALLY TRANSITIONED	No further licences to be issued in this class
Swimming Pool Construction	463	→	Builder restricted to Swimming Pool and Spa Construction (X)	Technical and managerial requirements to be developed commensurate with relevant modules from Cert IV in General Construction and targeted at scope of work for licence class
Restricted to Concrete	67		NOT TO BE AUTOMATICALLY TRANSITIONED	No further licences to be issued in these restricted classes.
Restricted to Fibreglass	47		NOT TO BE AUTOMATICALLY TRANSITIONED	
Restricted to Finishes	13		NOT TO BE AUTOMATICALLY TRANSITIONED	
Restricted to Maintenance & Repairs	88		NOT TO BE AUTOMATICALLY TRANSITIONED	
Restricted to Prefabricated or Packaged Products	34		NOT TO BE AUTOMATICALLY TRANSITIONED	
Wall and Floor Tiling	1894	→	Wall and Floor Tiling	Aligned with Cert III in General Construction (Wall and Floor Tiling)
Waterproofing Application	509	→		Aligned with Certificate III (General Construction) Waterproofing
Restricted To Commercial Waterproofing	9	→	Waterproofing Application	
Restricted To Residential Waterproofing	65	→		

APPENDIX 2

STAKEHOLDERS CONSULTED LICENCE CLASS REVIEW

Air Conditioning and Mechanical Contractors Association of Queensland
Association of Abrasive Blast Cleaning and Protective Coaters
Association of Ceramic Tilers
Association of Consulting Engineers Australia
Association of Wall and Ceiling Contractors Queensland
Australian Environmental Pest Managers Association
Australian Institute of Building (Queensland Chapter)
Australian Institute of Construction
Australian Institute of Refrigeration, Air conditioning and Heating Inc
Australian Institute of Steel Construction
Australian National Training Authority
Australian Pre-Mixed Concrete Association
Australian Shop and Office Fitting Industry Association Inc (Queensland Division)
Bechtel Australia Pty Ltd
BEPCON Planning and Land Management
Board of Architects of Queensland
Board of Professional Engineers of Queensland
Building Designers Association of Queensland Inc
Business Services Industry Training Council (Qld)(Inc)
C/- Australian Institute of Building Surveyors
Cement and Concrete Association of Australia
Chief Gas Examiner, Gas Operations, Dept of Mines and Energy
Civil Contractors Federation

Clay Brick and Paver Association of Queensland
Concrete Masonry Association of Australia Ltd
Construction Queensland
Construction Training Australia
Department of Aboriginal and Torres Strait Islander Policy
Department of Employment and Training
Department of Health
Department of Housing
Department of Industrial Relations
Department of Local Government and Planning
Department of Premier and Cabinet
Department of Public Works
Department of State Development
Department of Treasury
Earthmovers and Contractors Association of Queensland
Electrical Licensing Board
Ethnic Communities Council of Queensland Ltd
Fire Protection Association Australia
Fire Protection Contractors Registration Board of Queensland Inc
Floor Covering Installers Association of Queensland
Glass and Aluminium Association Queensland Inc
Hardware Association of Queensland
Institute of Building Consultants
Institution of Engineers Australia (Queensland Division)
Insurance Council of Australia Ltd
Irrigation Association of Australia Ltd
Local Government Association of Queensland Inc
Local Government Industry Training Advisory Body Qld Inc

Manufacturing, Engineering and Related Services ITAB Ltd
Master Monumental Masons and Sculptors Association of Queensland
Master Bricklayers and Segmental Pavers Association (Queensland) Inc
Master Painters, Decorators and Signwriters Association of Queensland
Master Plumbers and Mechanical Services Association of Australia
Master Plumbers Association of Queensland
Metal Roofing Industry Association of Queensland
Metal Trades Industry Association of Australia
National Association of Women in Construction
National Electrical and Communications Association
National Subcontractors Association
Plumbers and Drainers Examination and Licensing Board
Property Council of Australia
Queensland Association of Landscape Industries Inc
Queensland Building Tribunal
Queensland Consumers' Association Inc
Queensland Fire Protection Industry Association
Queensland Furnishing Industry Training Council Inc
Queensland Industrial Cladding (Aust) Pty Ltd
Queensland Law Society Inc
Queensland Major Contractors Association
Queensland Master Roof Tilers
Queensland Rural Industry Training Council Inc
Real Estate Institute of Queensland
Royal Australian Institute of Architects
Royal Australian Institute of Landscape Architects
Standards Australia
Subcontractors, Suppliers and Employees Federation (SSEFA)

Swimming Pool and Spa Association of Queensland Ltd
Thermal Insulation Contractors Association
Timber Flooring and Finishing Association of Queensland
Waterproofing Industry Council of Australia
Public and Private Registered Training Organisations

ENDNOTES

1. Laid before the Legislative Assembly on . . .
2. The administering agency is the Department of Housing.