

March 2006

NEWS UPDATE!

GOVERNMENT REVIEW OF HOME BUILDING LICENSING

On 16 March 2006, the New South Wales Fair Trading Minister announced the release of an Issues Paper as part of the Government review of licensing in the Home Building Industry in New South Wales ("the Review").

The Review has been commissioned to: "inquire into and report on existing arrangements for the licensing of builders and tradespeople in the NSW building and construction industry, the regulation of owner-builders in the residential sector and make recommendations based on its findings to improve the effectiveness of licensing for all stakeholders..."

The Issues Paper prepared by the Review reflects key concerns and regulatory options raised through consultations and submissions from stakeholder groups.

Some of the key issues raised during the Review and identified in the Issues Paper include:

- Whether the range of building activity covered by licensing is appropriate and in particular whether different regulatory control is required to reflect risk to consumers;
- Whether the current monetary threshold of \$1000 for requiring residential building work to be licensed should be changed;
- Whether the current hybrid occupational and business licensing system should be retained or changed;

- Whether the types of licensing should be matched to the complexity of the work;
- Whether persons who do not contract directly with a home owner should be licensed;
- Whether licensing should apply to non-residential construction sector for example to all builders regardless of the sector in which they operate;
- The adequacy of entry and renewal requirements for licensing including:
 - Ø Training and education;
 - Ø Competency standards;
 - Ø The role of license testing and accreditation;
 - Ø Conditions;
 - Ø Fees;
 - Ø Performance management.
- Whether changes should be made to the continuation of the owner-builder permit regime in its current form to prevent the disguising of unlicensed contracting work

The Review has called for further submissions in relation to the matters raised in the Issues Paper. The closing date for submissions is 21 April 2006.

A copy of the Issues Paper can be obtained at www.fairtrading.nsw.gov.au

If you require any further information in relation to this topic, please contact David Glinatsis, Partner on (02) 9375 2257 or email david.glinatsis@kreissonlegal.com.au



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