

Occupation licensing

As part of the federal government's push to harmonise business regulations across the nation and reduce red tape, there is an initiative to standardise the licensing of occupations. By Dr Greg Chapman, CEO of Empower Business Solutions and a director of Refined Project Management.



The purpose behind this program is that once a tradesperson is registered in their home state, they can automatically operate in other states without having to re-apply and meet different standards.

The intent is to improve business efficiency and competitiveness nationwide, improve labour mobility and enhance productivity. It is also hoped this will enhance consumer confidence and protection by adopting best practice from across the nation, in licensing occupations.

At the moment there is a wide variety of occupational licence standards in different states, varying from just a few pieces of paperwork, to others requiring the tradesperson compile considerable documentation for every part of their business and undertake lengthy TAFE courses. So harmonisation of standards is a good thing but, of course, the new standards will be a mixture of the highest standards that currently exist – a highest common denominator approach.

Today the jurisdiction with the highest standards is Victoria, which became the host jurisdiction and was the first to pass the

Occupational National Licensing Act in 2010.

Most states have now followed Victoria and passed this legislation. The board of National Occupational Licensing Authority has been appointed and it has been agreed that the national licensing register is to be located in NSW. The board is currently undertaking a consultation process with stakeholders and the reforms are due to commence for the first occupations in July 2013.

While the timetable for implementing the new standards for trades such as cabinetmakers, kitchen and bathroom installers and shop and office fitters has not been announced, it is useful to view the standard in Victoria where Refined Project Management supports local trades businesses prepare their applications for the Victorian Building Commission (Building Practitioner's Board). This is currently the best guide available to how the national system will operate for these trades.

In Victoria, most trades that undertake works of value in excess of \$5000, domestically or commercially in the building sector, must be registered by the Building Trades Practitioner's

Board. This also includes cabinetmakers, joinery, carpentry and other allied trades. Just some of the documentation required includes:

- Business plan;
- Completed building contract;
- Estimating worksheet;
- Safe work method statements;
- Job safety analysis (OH&S);
- Quality control;
- Schedule of works flowchart schedule;
- Working plans.

In all there are 22 different items of documentation, many of which require certification. While Cert IV training is not mandated for most categories, it is strongly recommended for less experienced practitioners.

After the application is submitted, there is a multiple choice test followed by an interview with a member of the Building Practitioner's Board to ensure that the practitioner understands the relevant parts of the different codes and legislation. They also need to prove that what they have submitted in their application is how they operate their business. This is to prevent cut-and-paste style applications. While the Board allows third parties such as Refined Project

Management to assist with the application process because of its complexity, it must still be based on the systems that the practitioner actually uses or intends to use in their business.

The standards have yet to be finalised and may still vary significantly from the Victorian ones after stakeholder consultation. The National Occupational Licensing Authority has also advised there will be a transition period and practitioners who are already licensed will automatically be added to the national register. So, in jurisdictions operating below the Victorian standard, there is an incentive to register before the rollout of the national standards.

This is an important initiative for all trades occupations to increase their professionalism; however, it seems unlikely that red tape for those operating in a single jurisdiction will be reduced with more not less being required in future. The initial impact will be on those tradespeople starting new businesses or registering for the first time.

Find out more about the Victorian registration standards at www.buildingtradesregistration.com.au ●