



proposal – to establish a national licensing system



National Licensing System for the Timber Flooring Industry

The Australian Timber Flooring Association (ATFA) did not have opportunity to provide comment to the first round of consultation. It is therefore necessary to first outline a model which has been heavily validated within the industry over the past few years, and which provides the evidentiary basis and experience which informs our response.

Our response will then address the RIS (8/10/08).

The following outlines a model national system which ATFA believe will introduce consistent licensing within all States and Territories across the board for the purpose of timber floor installation and finishing.

Proposed Open Licence Class Classifications:

- *Timber Floor Installation*
- *Floor Sanding and Finishing*

Proposed Restricted Licence Class Classifications:

- *Cork Installation*
- *Parquetry Installation*
- *Floating Floor Installation*

Background

Fundamentally, the timber flooring industry is in favour of licensing conditions, however, it is acknowledged this will never please 100% of people all the time. Experience in jurisdictions where licensing is an issue has borne this out.

Current licensing conditions in the States and Territories of Australia (as advised by Builders Licensing Australasia) are varied; we understand the situation to currently be:

- Victoria currently has no licensing provision for timber flooring.
- New South Wales does have licensing for timber flooring (this does not include floating floors) and covers only the domestic market. The recent review aligns this to national training qualifications.

- Queensland probably has the most stringent licensing system for timber flooring, which aligns to national training qualifications. It recently altered the class to exclude floating floors.
- South Australia do not have a licence class system, rather they licence almost all occupations based on proof of operation.
- ACT, NT, Tas and WA reflect approximately the Victorian system.

Considerable work has been undertaken by various jurisdictions (both Regulators and Industry Associations) in an attempt to find a manageable process to regulate the timber flooring sector. The problem is the number of sub-sectors which comprise the industry and the various job roles that exist within each one. The sub sectors include:

- Strip timber flooring installation and repair (non-structural)
- Pre-finished manufactured and engineered installation and repair
- Block parquetry and mosaic installation and repair
- Cork installation and repair
- Preparing, sanding and coating timber floors (strip timber, cork or parquetry)

Fundamentally, these represent 5 quite different disciplines and do not always sit comfortably together. As such, any new licensing system will need to provide reasonable flexibility to cater for what are now considered operating specialisations.

Similarly, the training system has struggled to meet the breadth of industry job roles in the past and frequently perceived it as a single but broadly catered for occupation. The national qualifications for Floor Finishing and Covering have until recently placed all five sectors into one training pathway leading to a single qualification - the lack of relevance and inability of a single timber flooring operator to gain competence in this full breadth of skills proving to be a barrier to apprenticeship training.

Moves to alter the Flooring qualification have subsequently reflected industry practice and the new Flooring Technology qualifications provide a flexible structure which recognises all disciplines and allows for an outcome in any of those stated above. As the new qualifications have now been endorsed by the National Quality Council and are effectively operational, any new national licence class for timber flooring must reflect this.

The difficulty for Licensing Authorities has been how to manage one licence class with 5 specialisations within it. The consideration in this from the Regulator perspective will be the need to minimise the level of bureaucracy and administration associated with the classification. Similarly, the issue of implementation will be a formidable task, particularly in jurisdictions where licensing currently doesn't exist for this occupation.

Taking all of these factors into account the following model is proposed.

Open Licence Class requirements

Name of licence class: Timber Floor Installation

Areas of operation:

- Strip timber flooring installation and repair (non-structural)
- Pre-finished manufactured and engineered installation and repair
- Block parquetry and mosaic installation and repair
- Cork installation and repair

Name of licence class: Floor Sanding and Finishing

Area of operation:

- Preparing, sanding and coating timber floors (strip timber, cork or parquetry)

Proving technical competence:

A number of options should be considered when taking into account proof of proficiency.

These may include:

- Recognised training e.g. Certificate III in Flooring Technology or its predecessor
- Training approved by BLA/Licensing Authorities and the ATFA
- Training conducted by ATFA or other approved Industry associations
- Recognition of Prior Learning – assessed by an RTO, via an approved RPL scheme or Government skills recognition

Proving ability to manage the business:

These may include:

- An approved managerial qualification
- Training provided by an RTO which provides a business management focus
- A value placed on experience in managing a business to date

Maintaining currency of skills and professional acumen:

This could include a raft of ways in demonstrating currency including:

- Further training provided by an RTO – technical
- Further training provided by an RTO – business
- Training provided by a Government entity
- Training recognised by the BLA/Licensing Authorities and the ATFA

- OH&S and Induction training
- Training delivered by ATFA and other approved Industry associations
- Conferences, seminars, lectures, forums and presentations
- Membership of a professional association
- Industry trade journal and business journal subscriptions
- Management of an apprentice or trainee

Experience requirements:

This should include:

Demonstration of 2 years experience (which may include experience gained through an apprenticeship or traineeship) plus proof of technical and business competence.

Cases of exemption should be considered by an appointed authority/industry association panel as exceptional circumstances which could potentially force the closure of a business and create hardship unfairly.

Financial requirements:

Must provide an accountants statement to demonstrate they have suitable funds and a turnover in keeping with industry/ATO benchmarks based on the previous financial year. Must provide proof of professional indemnity insurance for at least \$1 million dollars to cover the financial year period.

Jurisdictional Implementation

An implementation strategy could be devised for the State by State/Territory role out of this national licensing system, supported by National and State associations.

Communication will be the essential cog in achieving success with implementation, associations could provide support in distributing information pertaining to introduction of the system.

A series of information seminars could be held in all major regional centres (which in themselves provide points to maintaining currency), to inform operators of the impending system and how it will operate.

Response to the Regulation Impact Statement (RIS)

1. National Single Agency or National Delegated Agency model?

ATFA believes a national single agency model will be more effective, it will ensure consistent systems and more importantly, ensure the same licence classes are established in all States and Territories without the affect of State Government influenced conditions. Under the delegated model, the consultation session indicated that it would be the jurisdictions prerogative to determine if a particular license class was initiated or not, questioning the whole intent of this initiative.

With the incidence of defective timber floors being the second highest recorded complaint in all States and Territories with the exception of Queensland (second only to leaking shower bases), it is clear that this licence class needs to be installed in all jurisdictions. Interestingly Queensland has rigid licensing for timber flooring.

2. Have the costs and benefits of each model been adequately described?

The RIS provides little insight to this, however, the consultation appeared to demonstrate a need to satisfy and maintain State/Territory Regulators rather than look at the true cost benefit of a National Single Agency.

3. Objectives of the National Licensing System are suitable?

Yes, however the principle referring to extension of licensing to sub groups still requires further consultation and consideration.

4. Will the Principles reduce the regulatory burden and maintain adequate protection?

It could be argued that the delegated model continues to increase the regulatory burden or at least persist with a level of burden higher than a single national model could introduce.

Maintaining adequate protection levels is also under some scrutiny as the model of rigour which upholds this system is yet to be unveiled. The underlying fear is the move to a 'soft'

system which does little to improve service standards or quality of workmanship, subsequently providing the consumer with little confidence in the title of 'licensed'.

5. Are the Principles Best Practice regulation?

They have the potential to be, if implemented in the true spirit of this initiative.

6. How should the National Licensing Body be established and operated?

The structure proposed for the National Licensing Board is practical, however, more importantly is how the Board is underpinned with good advice. As the Board cannot have representation from all of those who validly seek recognition, the Board must use a series of industry advisory sub-groups to inform it.

For example, it would seem unlikely that a smaller industry sector such as Timber Flooring would have the opportunity to be represented on the Board, this would mean no one sitting on the Board would have any knowledge of our industry or its issues and methods of operation. As such, it would be expected that a timber flooring sub-group be established or ATFA be acknowledged as the best source of advice for referral purposes.

7. Is the composition of the Board appropriate?

It would be preferable that one of the four industry representatives be one which represents a smaller industry sector therefore understanding the importance of licensing issues and relationships in smaller industry sectors.

8. Expectations or concerns for a public register?

We have no concerns regarding a public register and expect the register to be a single structured national process available at one website.

9. How do we see ourselves providing input to the national licensing process?

As specified in Question 6, it would be our preference to have available a vehicle to inform the Board on behalf of the timber flooring industry and that our industry via this process has continuous capacity for ongoing input.

10. Any issues with occupational coverage within the National Licensing System?

No issue with the seven lead areas specified, however, we are yet to be informed of the makeup of licence classes that sit beneath this. Naturally, we feel strongly and have nationwide support within the industry for implementation of nationally consistent licensing. This is evident by our submissions to Builders Licensing Australasia dating back to 2005.

11. Will the licence policy development process reduce the regulatory burden of licensing in the occupational areas covered?

This is a complex question or perhaps an ambiguous one. The intent of licensing is to introduce rigour and ensure those licensed meet the stated checks and balances, so the suggestion of reducing the regulatory burden suggests watering down of what could be a highly effective system.

Can the licence policy development process make licensing consistent and easy to interpret – most definitely.

12. What other issues need to be considered regarding skill and education requirements?

The relationship with the National Training Framework is highly important to maintain consistency and avoid duplication. In the determination of licence education requirements, the industry parties involved in Qualification design and development should first be consulted. In most cases these groups will have already made considerations for licensing requirements.

In most cases and certainly in the case of timber flooring, the qualifications and competencies exist to underpin licensing.

13. Are the review periods for Training Packages appropriate?

There are no longer set review periods for Training Packages, from May 2008 they have formally commenced being maintained through a process of continuous improvement and therefore have the capacity to reflect industry needs as and when industry articulate any changed requirements. ATFA does not support the use of state based accredited courses which duplicate the outcomes of nationally endorsed training package qualifications or units of competency.

14. How should the disciplinary system work?

A panel and appeals based approach should be applied, once again ensuring relevant industry involvement is included in this process to ensure a fair and just result.

15. What other functions should be included in the National Licensing System?

At this stage we are not aware of any but will review this as the process continues.

16. Separation of functions from existing jurisdictional legislation – how may they be resolved?

This question infers that the delegated model is final, we do not believe this to be an effective way of operating this system and encourage a rethink on this issue. It was evident from the consultation sessions our representatives attended in the various States that the want for a National Single Agency was high.

17. Other occupational licensing functions that may need to be added?

At this stage we are not aware of any but will review this as the process continues.

18. Should jurisdictional regulators continue to take responsibility for conduct of licensees?

No. It would be our preference this be administered by the National Single Agency and include specific industry involvement.

19. How should disciplinary arrangements work under the National Licensing System?

We believe the National Licensing Body should retain all powers and administer all disciplinary procedures and fines, these should not be delegated.

20. How should appeal arrangements operate?

These should be carried out by the National Licensing Body, this should not be delegated.

21. Consumer complaint handling mechanisms?

It appears there is no scope for change in this category.

22. Education and information dissemination of the National Licensing System?

As the paper suggests, a National Single Agency model would provide for greater consistency of the message to system users, ATFA endorses this model.

23. Are the criteria for assessment of additional occupational areas adequate?

The criteria appear adequate however would benefit from actual trialling.

24. What transition issues need to be considered?

The only major issue for transition is the effectiveness of the information and education program which underpins its introduction. Allocation of funds to this aspect should be maximised.