



Professional Development for the Residential Building Industry

Policy Background

- Home builders recognize the benefits of maintaining up to date information in relation to their business and skills.
- HIA's Strategic Plan 2016-2020 sets out a number of goals to promote a competent and skilled workforce with sufficient capacity to meet the present and future demands of Australia's growing population and the residential building industry.
- HIA also supports an industry culture of continuous improvement that promotes quality in construction of the built form, in compliance, professionalism and customer support.
- In recent years, the issue of continuing professional development (CPD) for building practitioners, both builders and trade contractors, has been a matter of consideration by several states.
- Currently two mandatory schemes are in operation in NSW and Tasmania for builders. More recently Victoria and Queensland have announced an intention to introduce mandatory requirements, whilst the ACT has requirements that are yet to be implemented.
- Operating in parallel with mandatory professional development schemes, several states have industry training schemes that cover the residential building industry and require the compulsory payment of training levies.
- Whilst there is a view among regulators that builders should be taking steps to undertake ongoing training as the best approach to improving standards, builders are concerned that CPD schemes could be captured in a bureaucratic process of generic training and paperwork that unless properly designed and tailored to the needs of the individual, could add little value in the day to day business operations.

Policy Issues

- In 2005 the NSW government introduced mandatory CPD requirements for builders and swimming pool builders. These requirements have changed over time and been the subject to review with the most recent by the NSW Independent Pricing and Regulatory Tribunal recommending that the scheme be disbanded.
- In those states where schemes operate, members remain critical of aspects of the system, such as the way points are allocated, the costs and the reporting and checking mechanisms and the apparent lack of compliance action against those not reporting or frauding the system.
- There is a strong case for regulators and/or the judiciary mandating particular CPD programs for builders consistently or seriously in breach of regulations and standards.
- There is no evidence that mandatory CPD raises on-site building standards or delivers a significant net public benefit with those states operating mandatory CPD schemes still encountering a similar level of building disputes and defects.
- Members join HIA for professional development services and advice. This is acknowledged to some extent in the arrangements for CPD points under the various government schemes and should continue to be an option for industry members where a scheme is in place.

HIA's Policy Position on the Professional Development for the Residential Building Industry

1. HIA supports continuing improvement and professional development to achieve acceptable standards of building quality delivered by a competent and skilled workforce.
2. HIA leads, promotes and provides professional development services and advice to the housing and construction industry and HIA strongly encourages industry participants to keep up to date with industry developments.
3. The introduction of any professional development schemes should be preceded by the preparation, by the relevant government, of an independent regulatory cost benefit assessment and an appropriate level of industry consultation. Where a cost benefit assessment shows there would be a negative cost to the housing industry, the scheme should not proceed or should be amended to ensure a positive cost benefit is achieved.
4. HIA does not oppose requiring industry license holders undertaking mandatory professional development where it is imposed on individuals by the licensing authority as an alternative for those who would otherwise have their builder licence cancelled or suspended as a result of disciplinary proceedings.