

27 August 2018

Easy and Transparent Trading Consultation Paper

Regulatory Policy BRD

Department of Finance, Services and Innovation

Level 5, McKell Building

2024 Rawson Place

Sydney NSW 2000

Re: Item – Removing 13 categories of home build licences

The Master Painters Australia Limited is the peak industry body for the Painting and Decorating industry in Australia. We represent thousands of Painters and Decorators and consumers nationally. Our ultimate aim is to raise the standard of painting works in the domestic and commercial markets, by providing qualified licenced Painters and Decorators, who have undertaken quality training to provide these services to all.

Question 11 – Do you support the removal of the above 13 licence categories? If not, which do you believe need to be retained and why?

Licensing in NSW for Painting and Decorating should be retained.

Master Painters Australia Limited does **NOT** agree with the proposed removal of the Painting and Decorating licence.

The painting industry across Australia employs over 50,000 people, adding \$6 billion in turnover annually to the economy as a whole.

The Painting and Decorating trades **are not, and should not**, be classed as “less complex” as implied in the consultation paper. The primary reasons that we apply service coatings to the various substrates for preservation, identification and decoration. This process contributes to the quality and longevity of the various substrates that have been coated. This reinforces that this process is **not a minor procedure**.

Working with hazardous materials is one area where there is a serious potential risk for not only the consumer but also for the unskilled worker. In reference to the recent changes to the **'Australian Standard AS/NZS 4361.2:2017 – Guide to Hazardous Paint Management Part 2: Lead Paint in Residential, Public and Commercial Buildings'**, this states a qualified contractor is required to remove lead safely from premises'.

Occupational Health and Safety is a very real issue when working in the Building and Construction Industry. Not only when working at heights with scaffolding and the use of elevated work platforms, but there is also, as has been pointed out, the use of hazardous paints and materials, such as; **lead and asbestos**. These are hazardous to consumers and are risks that Painters and Decorators encounter every day. The Master Painters Association developed an **'Industry Standard for the Surface Coating Industry'**. This Industry Standard is endorsed by Worksafe and a range of industry agencies to support painting contractors in meeting their legal obligations to not only their employees, but also to their consumers.

Being a licensed Painter and Decorator is not just about the painting qualifications, it is also about being a business manager and having an understanding of legal obligations both at state and federal level.

For example;

- Collection of taxation (GST)
- Workmanship/warranties
- Consumer protection
- Employer obligations – workplace safety standards, pay rates etc.

In January 2017, the Australian Wall and Ceiling Industries Australia and New Zealand, and the Master Painters Association, commissioned a document by former Deputy Commissioner of NSW fair trading and Assisting Commissioner of NSW Home Building Service (NSW Fair Trading), Steve Griffiths. This identified the **'Economic Benefits of Licensing Building and Construction Finishing Trade Contractors in Australia'**. We would be more than happy to provide the Minister with a copy of this document at his request.

There has always been a duty of care required in providing Painters and Decorators with the skills and knowledge they need for them to carry out their tasks safely and professionally.

The removal of licencing requirements could effectively be creating a situation where workers who are not correctly trained and could be performing work that would put consumers, employees and the community

at risk from work health and safety issues (falls from heights) and the highly hazardous materials such as lead paint and asbestos.

The current New South Wales license requires a trade certificate and gives consumers confidence that the contractor they have engaged has the skills and the knowledge to complete the job at hand, in a technically accepted manner and safely. That is why licensing is imperative as a service to a consumer requiring painting and decorating works on their property.

To suggest a consumer do their own due diligence and rely on online review sites is fraught with danger, as a lot of the information provided cannot be validated and in many cases is incorrect and may have been manipulated.

Competition between painting companies can be healthy for the economy and helps drive innovation and efficiency. However, when companies are bound by law to meet industrial instruments, it is **unfair competition** if they are quoting against **untrained and unskilled applicators** that are not meeting their **legal obligations to their employees and consumers**.

The knock on effect of this proposal of legislative changes would be catastrophic to not only the painting industry in New South Wales, but also to the apprenticeship scheme, TAFE and other registered training organisations.

The proposed removal of Painting and Decorating licence in the proposed list of vocations goes against other states that are moving towards implementing painting licences. Master Painters Australia Limited believe that all painting contractors that provide services to the community, should be licensed.

Substandard workmanship, not working to the Australian Standards, and also the use of poor quality materials are all easy ways to drive prices down – but who does that benefit? Surely not the consumer, not the economy, and especially not the many small to medium enterprises relying on a fair days work for a fair days pay.

Removing the licenses will not only destroy small to medium businesses which are major employers in the state of New South Wales, it will also decimate apprenticeships and the Painting and Decorating Industry.

The Master Painters of Australia (MPAL) which includes; New South Wales, Victoria/Tasmania, South Australia, Australia Capital Territory, Queensland/Northern Territory, as the peak industry bodies representing Painting and Decorating throughout Australia, we urge the Minister **not to remove Painting and Decorating licenses**.

Yours sincerely,

Elton Willis

President Master Painters Australia Limited

