

THE LEGISLATIVE COUNCIL SELECT COMMITTEE ON ACCREDITATION OF BUILDING PRACTITIONERS MET AT DEVONPORT, FEDERATION ROOM, UPPER LEVEL ON 31 AUGUST 2006

Mr RICKY REEVES WAS CALLED, MADE THE STATUTORY DECLARATION AND WAS EXAMINED.

CHAIR (Mr Harriss) - Thank you, Ricky. Were you here when I made the introductory comments with Peter about the Director of Public Prosecutions?

Mr REEVES - I was, yes.

CHAIR - So you are prepared that we cannot go down that path.

Mr REEVES - That is true.

Thank you very for this opportunity and I must say that I agree 100 per cent with what Peter has just said. It is a perfect echo of my complaints, basically. But I have a small statement that I have done up here this morning that I would like to read to you.

Thank you for the opportunity to speak on behalf of the small builders of Tasmania and speak on the operation of the TCC and the implementation of the Building Act 2000. I am a domestic house designer and builder with 20 years' experience in the industry. Firstly, I must say that I agree in principle with the concept of builder and designer registration. It is needed to give consumers some degree of confidence in the practitioner they choose. I disagree with the current system on the grounds that it is academically based and disregards extensive work history. I give you an example. A builder could have gained initially accreditation and not have done any building work whatsoever but as long as he was doing the right courses to gain CPD points he would remain credited. But if the same builder, say, had been working interstate or had just been too busy to attend courses, as is the case of most builders in the current economic situation, he would have his accreditation suspended until he had completed the appropriate courses to gain points.

My experience tells me that the builder with the work experience and not the one who did the courses would be the one to choose for the construction of your new home. It is just commonsense. On-the-job experience outweighs textbook courses. This is the infuriating situation that we, small builders find ourselves in - no time on our hands to do courses and no accreditation if we do not.

My thoughts on this matter are shared by all of my fellow practitioners. I work in the Hawley-Devonport area and in the last two months when all this came up, I went and talked with my local practitioners, the people that I deal with in the hardware shop, the local guys, and every single one of them agrees with my sentiments. I feel that the initial accreditation should be all that is required and then practitioners should be reviewed every year and the review should be taking in the projects that are completed, not the time they spent at courses. It is the practical work that has been done, the standard of work, the work conditions that the jobs were carried out under that the accreditation should come from.

As I said in my letter, as a builder I go to courses and trade days as the need arises to source information, not as in the present situation from the necessity to remain accredited. The TCC propaganda talks about career paths and ongoing professional development. I have been through that with 20 years' experience in the industry. I more or less finished my apprenticeship, had 12 months with a local builder and then started to build houses, so I have been doing it for a long time. In that time I have taken up designing houses.

I really feel that I do not need to learn very much more and I am happy with the stage that my business and career are at. The fact that I have people lining up for me to design houses and build for them stands alone. Some of us wish to remain small-scale domestic builders and be allowed to get on with the business of building without all this red tape that is really bogging the industry down and causing such angst and derision amongst us builders.

I have recently returned to Tasmania from an extensive working holiday on the mainland. I have worked in most States and I have found that the more draconian the building registration boards, the scarcer the builders and tradesmen were. Less regulation, not more, promotes a healthier building industry. Tasmanian tradespeople are held in high regard on the mainland and I believe that has been the product of a freer system.

In concluding, I hope you take my considerations into your thought. I realise I am here on my own but I feel that I am a fair representation of your average building contractor. My concerns are shared by most of my colleagues. On a few comments that have come up through Peter's comments; designing, I am a house designer. When the accreditation came in the indemnity insurance was far too expensive. I design perhaps three houses, four houses a year, specialised projects for people who are after passive-design solar houses.

I thought that I was going to have to give away my design work because I could not afford to charge people for those things. It would be a \$10 000 plan if I had to add in my insurance costs for those people so I approached the TCC. They said, 'Okay, you can design them as long as you build them,' so that has cut down my access to work even more. The situation is now people come to me and say, 'Can you do a design for us, Rick? We know you are one of the best in the area.' I say, 'I can mock it up for you unofficially, under the table. Take it to someone who has accreditation to draw up the plans,' and they draw the plans up and that is how I have had to go because I cannot build all the houses that I master design.

This is my personal situation. I disagree with it. There should be some better way. I do not know what it is but there should be some better way. Insurance, as Peter was saying, is the same again. I have been away and my property was sold because I was travelling on this working holiday, I came back to Tasmania. I have a few blocks of land that I have kept here, assets worth \$250 000, so that is all I was allowed to build up to at that point, through Vero Insurance again. Far and away I have to say to people, 'No, I have to finish this job before I can start your job because my insurance will not cover me if I start your job, your job, and your job', so I am doing a single job at a time, so here is

another point that is causing frustration in the industry. They are a few things, without repeating myself or the previous gentlemen. Are there any questions?

Ms THORP - I would like a general comment from you: does the system protect consumers?

Mr REEVES - As far as I can see it is just a rip-off. The consumer is not getting anything for their money. Peter gave the example of the claimant there. I think the money is just disappearing. It is not protecting consumers. A government fund, as the gentleman before me suggested, is by far and away a better way.

Mrs SMITH - Am I to interpret from your comments that we have a discrimination in the system that if I decide I like you as a designer, your solar principles, et cetera, and I want a million-dollar house you cannot do it for me because your insurance limits you to a \$250 000 house?

Mr REEVES - That is right, yes. When I get more assets I can build it for you.

Mrs SMITH - But if you cannot build my house it limits you getting more asset, does it not?

Mr REEVES - Exactly, yes.

Mrs SMITH - Okay. Thank you. There are some people who have stated in evidence that the TCC is a monopoly and that in systems where we have monopolies it should be a government regulator, a building regulator, like we have an energy regulator or whatever, or if you are looking at the National Competition Policy principles and you are going out into the private arena it should be some tender process, hopefully with more than one accredited corporation. Do you have an opinion on one versus the other?

Mr REEVES - I am for a government body. Private enterprise is about profit, it is not about service.

Mrs SMITH - Would you accept at the time when all this was being discussed - and it was discussed certainly over a lot of years - that in hindsight there was probably support in the building industry to keep everything as far away from government departments as you can, private enterprise is better to operate it and it is only been the perceived lack of processes of TCC that now sees builders saying, 'Back into the government system'?

Mr REEVES - I must admit I did not hear that argument of private versus government. There has always been rumour that a system was going to come into being and I presumed that it was going to be a government-run system.

Mr DEAN - In your correspondence here you refer to the difficulties that you had in getting any information back from TCC, phone calls not answered, answering machine obviously not being listened to, has that improved at all?

Mr REEVES - You can access the secretary, as you will probably read further down, about the CPD point system. I had no information other than I got my plastic card which did not take a year and a half, I must admit, but took six months and I again rang and said, 'Can you please make sure you send all information pertaining to my accreditation. I

want to do the right thing. I do not want to lose my accreditation. That is my livelihood.' 'Yes, Mr Reeves, we will do that.' I got all the insurance information which I fulfilled. I thought, 'Okay, I have done all that is required of me.' I got on with my work.

A month before the new accreditation year at the end of the financial year I received a newsletter saying that I had a CPD point system that I am supposed to fulfil and I had heard that it was mainly commercial builders that had to do this thing, because I am a domestic, and I rang them and said, 'What is going on?' 'You would have got all that information. You should have got all that information.' I said, 'I did not and I have not got the points to remain accredited. What is going to happen?' and she basically said, 'We will just slap you over the wrist. You are an errant schoolboy,' as I have said, 'and you make sure you fulfil it next year.'

Mr DEAN - And that was it?

Mr REEVES - That was it. I filled out the forms. I was about five points under the accreditation because there are some things that you do as a builder that gain you points and I have not heard back from them so obviously I am accredited.

Mr DEAN - Were they entitled to do that under the act, as you understand it? Can they simply say, 'Sorry, next year make sure you do it. We will accredit you this year.'? Is that a lawful position for them adopt?

Mr REEVES - I am only going on what I feel. I feel that because it is a new organisation and there are a lot of builders being initiated, for want of a better word, into the system perhaps there is a little bit of leeway either way.

Mr DEAN - Have you now received any documentation or anything to say that you were accredited that year?

Mr REEVES - I have not heard from them at all, no.

Mr DEAN - Not a thing?

Mr REEVES - Not a thing.

Mr DEAN - I guess you could not be accredited?

Mr REEVES - I could not be, yes. I have not received a thing. I presume I am.

Mrs SMITH - Has your cheque been cashed?

Mr REEVES - My cheque has been cashed, yes.

Mrs SMITH - I think you might be.

Laughter.

Ms FORREST - Have you checked the web site to see if your name is there?

Mr REEVES - I have not checked the web site, no.

CHAIR - On that matter, accreditation lasts for three years. Your annual payment is just a renewal -

Mr REEVES - That is true, yes, it is.

CHAIR - so if your cheque has been cashed, would it be fair to presume that your renewal has been paid to continue your accreditation which has previously been issued?

Mr REEVES - That's right.

Ms FORREST - Going back to that, it is a three-year accreditation, and you said they need points - how many is it per year?

Mr REEVES - A designer-builder requires 20 and as a builder, I require 12.

Ms FORREST - To make this 20, yes.

Mr REEVES - 20, yes, all up.

Ms FORREST - That is per year?

Mr REEVES - Per year.

Ms FORREST - So if you only got 15 this year, say, and they've let you slip through because you're -

Mr REEVES - I wasn't registered for the full 12 months, begging your pardon; I have only been accredited for seven months because I have been interstate. I have been having correspondence with them and they said, 'Yes, okay, when you come back to Tasmania this is what you need to do.'

Ms FORREST - So is it a reasonable thing, if the accreditation is for three years, that the CPD points should be 60 over three years? I believe that can be the case but you have to earn at least so many in one year and no more than so many in another.

Mr REEVES - That's right, yes.

Ms FORREST - So my understanding of what you have said is that maybe you are quite within your rights to have 15 this year so long as you get 60 over the three-year period.

Mr REEVES - Yes.

Mr DEAN - You can have 60 in the one year?

Ms FORREST - No, you can't do that.

Ms THORP - That is too many.

Ms FORREST - It would depend on how many you can earn in one year.

Mr REEVES - I totally disagree with this point system. I have talked to guys who have done the courses. I have only just started to apply myself to what was needed, but the information is old information. It is information that we all know - our experience gives us what we need to know.

As the gentleman previously said, someone should come and have a look at our work, look at our jobs, and say, 'Yes, you're accredited because of your work', not because of some course that you have done. It makes me so angry that good builders in the area, and as the gentleman previously said, a lot of older builders, said the same thing, 'No, this is just too hard'. Now they are working for owner/builders and a large percentage of my work is with owner/builders.

Ms FORREST - I know you have an issue with the point system, but would you agree that it is important for consumer protection that builders continue to upgrade skills or knowledge, particularly as new products come on the market and new techniques are developed. Even though you might not be using those product or the design feature or whatever at the time, as a consumer I would think that if the builder is getting ongoing education in new developments in the industry, that is a positive thing. How you do it is another issue, obviously, but do you agree that some of these builders -

Mr REEVES - I agree that upgrading your knowledge is important, but I don't agree that it should be a compulsory situation for builders, as it is now. I have worked in the small scale domestic area for 20 years and very little has changed. The greatest change has been in the last three years with the new structural requirements through engineering; that has changed a lot. A day course would cover all that we need to know in the new framing code. We are checked by our building inspectors. They know the framing code and they check our work, 'Yes, that's right, that's right, put some more stuff in here, do this here'.

Ms FORREST - So if a new regulation or standard comes out as a result of a coronial inquiry or things like that -

Mr REEVES - Yes, that's right.

Ms FORREST - so obviously it is really important that all builders become familiar with those new standards.

Mr REEVES - That's right, yes.

Ms FORREST - I am not sure if CPD points can be accredited in this way, but what if you demonstrate that you have updated your knowledge in that area with regard to that new standard? One way is by saying that you have attended a course and you have adopted the new standard, but I do not know how you demonstrate that. But if a building inspector comes and inspects your work and identifies that, yes, you have met that new standard, they could say, 'Because Joe Bloggs here has met that new standard, he can be awarded one CPD point' because he is actually applying it, so that is CPD on the job, I would suggest.

Mr REEVES - That's right, yes.

Ms FORREST - Is this one of the options for gaining CPD, apparently?

Mr REEVES - It isn't, at this point, unless you apply yourself to a large TAFE course that takes up too much time. Then they have to come and accredit your work and do all that. It is just a real problem for builders, it really is. We have such a good reputation in Tasmania as builders. When I travel to the mainland, if you were a Tasmanian you had the job above everyone else from every other State, that is how good a reputation we have here.

Ms FORREST - You are away for three months in the year, and you could have been away for eight months on holidays. You were suggesting that accreditation needs to be based on the work that you have done that could be assessed. Wouldn't that be a disadvantage to someone like you coming back without any current -

Mr REEVES - That is true.

Ms FORREST - There needs to be some flexibility

Mr REEVES - That is right, yes. Most of the builders in Tasmania at one stage or another have time on the mainland. We go and learn a lot of new skills over there because there are new ideas, new products. It is a good place to learn. But, yes, I understand your point. Being away, I have the skills base because I have actually gone and learned more.

Ms FORREST - You said that, with the building design issue, that you could design a home as long as you built it. That was the restriction placed on you.

Mr REEVES - Yes, that's right.

Ms FORREST - Who actually made that judgment and on what was that based, do you know?

Mr REEVES - I phoned the TCC and explained my situation. Then when my accreditation came through, that was the restriction that was on the accreditation.

Ms FORREST - So you don't know how that decision was made? Did they consult other buildings designers?

Mr REEVES - I don't know any of that.

CHAIR - It is possible that it was a condition placed by the housing indemnity insurers. That is a possibility or the likelihood in fact.

Mr REEVES - Possibly, yes. I really don't know that information but that's how it came back to me.

Ms FORREST - You didn't question how they got to that decision?

Mr REEVES - I didn't, no; I was just glad that I could still draw my plans because I'm a bit of a fussy builder so I like to work off my own plans.

CHAIR - We can pursue that in another arena.

Mr WILKINSON - A number of professions or industries have this continuing education, don't they?

Mr REEVES - That is true, yes.

Mr WILKINSON - And they have it because part of the policy of insurance is that to have that insurance you have to continue with continuing education. Are you aware of that?

Mr REEVES - Yes, that's right.

Mr WILKINSON - I hear what you're saying in relation to it because it's a pain in the backside to have to go to these things sometimes, but what you are saying is you have no objection to continuing education so long as the education that you are receiving is relevant education.

Mr REEVES - Exactly, yes, and not necessarily compulsory. We source information as we require it in the building industry. For changes in products, we have field days where the product manufacturer will explain and demonstrate a product; that's where we learn. We don't need to go to a technical college where they say, 'Right, you need to learn this, this and this, the building law', and so on. It's not appropriate to my business, put it that way.

Mr WILKINSON - But there's got to be a body, has there not, that determines the type of information that you have to know. As a lawyer by profession, I can't say I only want to go this and that, there has to be some body that tells me where I should go.

Mr REEVES - That's right, yes.

Mr WILKINSON - So you are saying that if there is a body and if that body says you have to do continuing education, you are quite happy to do that so long as it's relevant?

Mr REEVES - That's right.

Mr WILKINSON - It might not solely be relevant to you at the time, but still you'd be happy to do it so long as it is relevant.

Mr REEVES - As long as it is relevant, yes.

Mr WILKINSON - Or alternatively, if you didn't go to those continuing education seminars, what you are saying is that there should be a way where this body could come and look at the work that you do to see whether you are working in accordance with up-to-date practices.

Mr REEVES - That's exactly right. Yes.

CHAIR - In your written submission you make the comment that when you returned and you picked up the TCC's newsletter, it required you to comply with the CPD issues within a month. You had a window of a month to satisfy their requirements.

Mr REEVES - For the 12-month period that I was required to earn the amount of points that it was. I had no notification so it was a month from the due date when I received the first newsletter and I had been accredited for seven months.

CHAIR - And when you phoned them, as you have said earlier in your verbal evidence to the committee, you were treated some like some errant school kid.

Mr REEVES - Yes, pretty much.

CHAIR - With no sympathy to the practical application of your building business?

Mr REEVES - Exactly, yes.

Mr WILKINSON - And no recognition that they made an error in the first place in not sending all the information that Ricky wanted?

Mr REEVES - Yes, exactly.

CHAIR - That is a fair assessment?

Mr REEVES - Yes, that is very fair.

Mr DEAN - Prior to the Building Act 2000 and prior to the TCC becoming involved, we have talked about how you kept abreast of the new regulations coming in. Quite obviously that would have been, I dare say, a council responsibility?

Mr REEVES - Very much a council responsibility.

Mr DEAN - You would submit your plans for the building and if it did not comply it would be pointed out to you, 'Now there have been changes in this so therefore you need to meet those standards and regulations.'

Mr REEVES - That is right, yes.

Mr DEAN - And it was always a case that you would always keep abreast of what was going on?

Mr REEVES - That is right and, in the interim term between TCC and the previous situation, the engineers became more relevant in the whole industry. We had all our footings and wind bracing designed by engineers, which is a great idea. I am totally pleased with that because it supposedly takes the responsibility off us builders. We have the information there, we follow that to the letter and to the letter, is how I do it because I do not want to be caught out.

Mr DEAN - And even with the changes that have been brought about the Building Act 2000 and TCCs involvement and so on, you still go through exactly the same process with council?

Mr REEVES - That is right.

Mr DEAN - With plans -

Mr REEVES - Not so much. The councils seem, to a certain degree, to have waived their right of alteration of plans. They rely on the engineers supplying information. They check for practical things, not so much construction things.

CHAIR - Ricky, thank you very much for that concise presentation of your evidence. Like we have mentioned to other witnesses, and you probably heard me say, you will receive a copy of our report once it has been tabled in Parliament. We wish you well and thank you for giving up your time to appear before the committee.

Mr REEVES - Thank you very much for the chance to speak. It has been a weight on my shoulders for some months I can tell you, and I am not alone in that. Most builders in Tasmania feel the same but most are too busy or too frightened to come and say something.

THE WITNESS WITHDREW.