

**HOUSE OF ASSEMBLY SELECT COMMITTEE ON THE COSTS OF HOUSING,  
BUILDING AND CONSTRUCTION IN TASMANIA MET IN COMMITTEE ROOM 2,  
PARLIAMENT HOUSE, HOBART ON WEDNESDAY, 8 DECEMBER 2010.**

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**Mrs KERRIE CROWDER**, DIRECTOR OF BUILDING CONTROL, WORKPLACE STANDARDS TASMANIA, WAS CALLED, MADE THE STATUTORY DECLARATION AND WAS EXAMINED.

**CHAIR** (Mr Hidding) - Thanks Kerrie, for coming in. This committee is going to look at building costs generally in Tasmania. I guess a family home is always at the top of the mind, in terms of cost of living in Tasmania. We would like to know that everything that is charged along the process is being charged for the reason it was originally charged for. We could even review the original reason to see whether that is still a valid thing to do and whether the money is going to where it is intended to be. We would like to explore with you the areas under your control.

**Mr BOOTH** - Kerrie, you have been the director for long enough, I guess -

**Mrs CROWDER** - Eighteen months.

**Mr BOOTH** - to have got into the job, so I am wondering whether there is anything you can identify that are major impediments to doing your job, in the sense of imposing what you would regard as an unnecessary bureaucratic burden or compliance burden in any area that you are directly involved in or anywhere else you can see.

**Mrs CROWDER** - No. The act, as it is written, is quite clear in the responsibilities that we have. We accredit building practitioners, we are responsible for the standards and regulations such as the BCA, the codes and standards related to building, and we have an investigative and audit and compliance role. The three are quite well set out in the act.

**CHAIR** - Would you run us through what they are?

**Mrs CROWDER** - Yes. First of all, accreditation of building practitioners. That includes engineers, architects, builders, designers, demolishers - I can give you a list of who they are. It involves ensuring that they have the appropriate insurance, that they undertake CPD - continued professional development - as outlined in the scheme.

**CHAIR** - Is CPD mandated for all practitioners?

**Mrs CROWDER** - Yes. Not all with the same amount of points; again that is outlined in the scheme.

Under audit and compliance, we have three investigation officers who look at any complaint that comes in in relation to a building practitioner. They investigate and provide me with a report and then a decision is made on the outcome. They also undertake audits of mainly councils and building surveyors because they have statutory functions under the Building Act. We will have completed all councils by the middle of

next year. When we go around councils we tend to do building surveyors or a selection of building surveyors in that area. They have a two-fold role.

In standards and regulations, that is where we provide advice to the public, councils and buildings surveyors on the standards and regulations such as the BCA - the Building Code of Australia. It is updated annually, with changes made, and we educate the practitioners et cetera on those changes. Tasmania has variations, such as every other State, to the building code. As to updating the standards, we work with other areas such as Health on disability access et cetera and that is all done through our Standards and Regulations Branch.

**CHAIR** - Disability access as well?

**Mrs CROWDER** - We don't have responsibility for the legislation but we have to make changes to the BCA. We will have to make a change to the act next year for that disability access.

**Ms ARCHER** - Because it's now national.

**Mrs CROWDER** - That's right. We have to make minor amendments to the Building Act before the BCA comes out on 1 May next year to accommodate those.

**Mr BOOTH** - Kerrie, you said it is clear in the act what you have to do, but are there areas that you've got to do where you can see there is unnecessary over-regulation, make-work schemes - any way you can see that would reduce compliance costs and the burden on your department so that that government effectively would save money which would then flow on to lesser fees or something that would speed the process. Is there something that impedes entry into the industry by requirements for accreditation, and also the burden of insurance and accreditation, CPD and all the hoops you have to jump through to have a job in the building industry today, and whether that is, in your opinion, restricting particularly older builders remaining in the industry. We have had quite a lot of submissions in regard to that.

**Mrs CROWDER** - It's not my decision -

**Mr BOOTH** - I know it's not your decision; I am asking you as the Director of Building Control for the last 18 months whether you see anything that could be changed.

**Mrs CROWDER** - No, probably nothing that is not there for a reason. It's there for a reason. It's a responsibility that they have insurance and that is protecting the public. Basically the whole concept of the act is to protect the public, so making sure that they have insurance, that they keep up to date with their CPD et cetera are all for public protection.

**Mr BOOTH** - So you would be able to provide the committee with evidence to support the fact that it has resulted in some sort of protection?

**Mrs CROWDER** - Yes. If a complaint is made against a building practitioner for any reason we investigate and we have the ability to suspend, send them off for professional development, cancel their licence et cetera, so that is a public protection.

**CHAIR** - This is not the Building Appeals Board; this is your Building Control branch?

**Mrs CROWDER** - Yes. The Building Appeals Board is totally separate to the branch. They deal with things such as the decisions that I make against building practitioners for unprofessional or conduct.

**Mr BOOTH** - Have any builders been disciplined in the last 12 months?

**Mrs CROWDER** - Yes, and cancelled.

**Mr BOOTH** - How many?

**Mrs CROWDER** - I will give you the figures. We made *Today Tonight* on a builder that we have cancelled but he went off to Queensland. He was registered in two States and they have since cancelled him as well, but I will give you all the figures. In the 12 months until now - December - we received 22 complaints in relation to the conduct of accredited building practitioners. They included 12 matters in relation to building, five complaints against building surveyors, three complaints against building designers and two complaints against the conduct of an engineer. Of the complaints, seven practitioners were found guilty of unsatisfactory professional conduct or professional misconduct; a further two practitioners were found not guilty and there were three matters dismissed without investigation. One had previously been the subject of a complaint where the practitioner was found guilty. Two were resolved and the complainant did not wish to cooperate further and one was dismissed due to the particulars not being provided. A further complaint was suspended due to the practitioner not being currently accredited. Three of those have appealed against the decision of the director and they are before the appeals board.

**CHAIR** - That will go to the Buildings Appeals Board?

**Mrs CROWDER** - Yes.

**Mr BOOTH** - Are any of those members of trade associations?

**Mrs CROWDER** - I cannot answer that question but I presume they may be.

**Mr BOOTH** - You are not concerned that HIA and MBA might have builders in their organisations that are subject to discipline by Workplace Standards? You do not inquire into that?

**Mrs CROWDER** - No. If they do not belong to an association, my business is part of the investigation.

**Mr BOOTH** - But aren't you allowing those organisations to run training courses that you accredit, like green cards and white cards?

**Mrs CROWDER** - If I have a concern with the courses that they run, yes, I will raise that and in fact I have.

**Mr BOOTH** - The question I asked is that of those seven found guilty how many were members of a trade association. If they were then that ought to be a concern of yours because you are allowing organisations to register builders that are incompetent and found guilty of offences under the act. You actually accredit those organisations that they are members of to provide training.

**Mrs CROWDER** - I see the associations as being there for their members. It is like a union or anything else; they are there to protect their members. It is not for me to say whether, just because they are a member of an association, the association is bound to carry out their own investigation and get somebody -

**Mr BOOTH** - Sorry, Kerrie, you might have missed the point. You accept or allow the HIA and MBA, for example, and other organisations like engineers and whatever, to provide continuous professional development courses, white cards for occupational health and safety and so forth. You have seven builders there, some of whom may be members of associations which have provided those people with CPD et cetera over the period that some of their members have now been found guilty of offences. Why then would you not go back and say, 'Hang on a minute. With accreditation, CPD and so forth, builders are expected to be competent et cetera, and to prove their competency they have to provide a bit of paper'. I know the Housing Industry Association, for example, are providing bits of paper with a large fee attached to it. If you went fishing on the east coast with them, for example, you got a CPD point. If you went and listened to Bryan Green giving a lecture in Launceston a couple of years ago you got continuous professional development points which complied with the act and therefore made you a competent builder because you met the compliance. However, if those organisations' members are coming through that system and going before your jurisdiction and being found guilty then there is a serious disconnection with the quality of the CPD they have been given or the quality of the accreditation surveillance. That is the point I am making.

**Mrs CROWDER** - You mentioned the white card, for example. That is occupational health and safety and done under the Workplace Health and Safety Act and there are inspectors within the division of Workplace Standards that deal with breaches of the Occupational Health and Safety Act. If I had a concern with a course that was being run by an RTO then I would deal with it through the education system. There are all the processes and checks through the education system for RTOs and courses run by Skills Tasmania or -

**Mr BOOTH** - So where is the feedback loop, then? You have seven builders found guilty, so where is the feedback through the system that says, 'Well, hang on a minute. How did this person ever get accreditation in the first place? Where have they not done what they were supposed to do? Is it to do with CPD issues like new standards on the BCA; perhaps waterproofing under floors has changed and those sorts of things?'. Where is the connection between the discipline and finding out why that person was not capable of meeting the codes? If they have done CPD there just seems to be this complete disconnection? It's a case of, 'Oh, we will just discipline these builders but not worry about the people who have been issuing them with the CPD'.

**Mrs CROWDER** - For many of them, their penalty is often to undertake further study.

**Ms ARCHER** - That goes to the heart of the issue, doesn't it?

**Mr BOOTH** - Yes, but they are accredited builders. If someone does a driving course and the instructor gives them a licence and they drive straight through a red light, you wouldn't just stop at the person that was driving; you would go back and say, 'How the hell did this person get a licence in the first place?'. There is this massive regulatory regime and home owners pay for this stuff. They pay for your organisation, for all of the fees to CPD and it all adds to the cost of their home at the end of the day. Over the life cycle of a loan, it is a lot of money. Some of the regulatory regimes are justified, so is there is any connection between the fees that you pay and the charade that people go through to get these things and an outcome where builders are found guilty but there is apparently no vetting of the training authorities or their regulation?

**Mrs CROWDER** - There is vetting of the training authorities. We are just one in the loop. It is like any RTO; they are subject to the rules et cetera through the education system.

**Mr BOOTH** - But you said you go back through the RTO.

**CHAIR** - It might help if you could give us a broad overview of the seven cases that you are talking about. Was the problem based on ignorance and therefore poor training, or just poor behaviour?

**Mrs CROWDER** - Yes, often it is poor behaviour. It would not matter what training they had.

**CHAIR** - So you can train the stockbroker to be a genius and then he is insider-trading in the first week.

**Mrs CROWDER** - That's right. The only way you are going to weed those people out is through the complaints system. In any occupation you will have your bad eggs. No amount of training will make -

**Ms ARCHER** - Putting aside the direct issue of a complaint and the issue that Kim has raised, what sort of connection do you have with the training courses that are offered by the HIA and the Master Builders Association? Do you oversee the courses that they provide? Do they submit something to you? What is the connection between the RTOs and your body?

**Mrs CROWDER** - Basically, we don't have to accept the qualification if we do not believe it is sufficient. We stipulate what a practitioner requires to become accredited, such as a Certificate IV in building for a builder. If we do not believe that the content of that course meets the requirements of a Certificate IV then we can refuse accreditation.

**Ms WHITE** - Do you see the content of that course before a person embarks upon it?

**Mrs CROWDER** - No, not before they embark upon it.

**Ms WHITE** - So there could be courses out there that builders go through with good intentions thinking they are getting a qualification and come out the other side and -

**Mrs CROWDER** - My understanding is that they have to be a registered training authority to undertake the course. So there is that sign-off in the education system

**Ms WHITE** - So the Education department oversee the course content but you have no input into it?

**Mrs CROWDER** - Yes, we do. We are always consulted. For example, with plumbers at the moment it has been identified that they come into contact with asbestos on a frequent basis - all that piping in houses with asbestos wrapped round it et cetera. We have identified that the asbestos component of their plumbing apprenticeship is not adequate so we have written and asked that it include further information and further content on asbestos. So we do have input. RTOs are granted their authority on the basis that they met the requirements set out -

**Mr BOOTH** - As an RTO?

**Mrs CROWDER** - Yes. All associations and the Master Plumbers are RTOs but that is through a system other than us.

**Mr BOOTH** - That is fine and we can all sit back and go, 'This is wonderful; all the boxes are ticked' but at the end of the day you are getting non-compliance, builders found guilty, RTOs and trade associations particularly that make a lot of noise about cost of building. When you lift the cover off it, they are training organisations, recipients of huge amounts of money from training and accreditation and compliance and yet I have had the comment from a lot of people - probably not related to your jurisdiction - that if you go to the HIA and ring their helpline you just get a recorded message; you can never get through to them. They are all care but no responsibility. The same with the MBA. I can take you to houses built by people - one of them was the president of the MBA up in the north - and it is an appalling, disgraceful mess. You know the house that I am talking about but there is no sanction against the trade association. They pocket the money from the accreditation but are all care and no responsibility. That should be something that is of concern to you, though it might be more in the consumer affairs area, but consumers rely on the system to deliver a compliant home. Trade associations purport to do that and the building standards purport to do that in having a compliant house that is ticked off. We have some submissions here with regard to houses that have not met the standard but have been ticked off by a surveyor or council regulatory authority as being compliant. There are areas that are quite serious in terms of driving costs up but there does not seem to be that proper layer of connection across the jurisdictions.

**Mrs CROWDER** - I do not think that you could regulate the associations through the Building Act. I do not know how you would do it.

**Mr BOOTH** - I am not saying that they have, but if they are providing inadequate courses or if some of their members are not performing then you could certainly sanction them as RTOs through complaining to the education system, for example.

**CHAIR** - Do you have input into the building industry training thing, flowing from that education thing?

**Mrs CROWDER** - No. We work with the board; we have just been doing a road show with the board but we do not have input. They ask for our input on areas of training that we

perceive. In fact I am just doing up a list now for the new CEO on areas we believe need help.

**Ms WHITE** - If I could put Kim's question another way, of the seven builders you found to be non-compliant if you then found they were all members of Master Builders Association would that ring an alarm bell for you to go back to Master Builders and say, 'The CPD you are doing might not be right because seven builders have come through your scheme that have not met our standards'? Can you then use those statistics to go back to those member organisations?

**Mrs CROWDER** - Just because they are a member of an association does not mean they undertake their further development through -

**Ms WHITE** - Is that right?

**Mrs CROWDER** - Yes. There are lots of different avenues. For example, we run sessions yearly on changes to the BCA; that has nothing to do with the associations. Some of them, I think, are members of both associations. Some plumbers, for example, are members of the MPA and the HIA and so forth.

**Ms WHITE** - So it makes it a little difficult to track?

**Mrs CROWDER** - That's right.

**Ms WHITE** - But you would have records as to where they've done their professional development training?

**Mrs CROWDER** - Yes, as part of their CPD they have to show what they did for course contacts.

**Ms WHITE** - So you could review that as well?

**Mrs CROWDER** - Yes, definitely, to see who's providing.

**Ms ARCHER** - Do you notify any association of an expulsion?

**Mrs CROWDER** - No. Any cancellation is notified to every council because they issue the permits, to every building surveyor and to each State's accreditation board.

**Ms WHITE** - You're undertaking an audit of councils at the moment?

**Mrs CROWDER** - Yes, we do on an ongoing basis.

**Ms WHITE** - From those audits, what sort of things do you look for?

**Mrs CROWDER** - They have statutory responsibilities under the act and the issuing of building permits et cetera. We go through all their statutory obligations and we may take files and check that they have all the correct documentation, that they have done it on time and there aren't any gaps. For example, what we've found commonly is that the building permit has expired without building commencing, but they have no system to

identify that to chase it up. There is an educative process and we offer them solutions to that.

**Ms WHITE** - If you find that a particular council is having difficulty, how do you enforce their compliance?

**Mrs CROWDER** - We write a report making suggestions, because we have no power to make them comply. It takes us two or three days to do a council, at least - the bigger councils take longer - and that report is written and provided to the council. We ask that they respond to that report in six months' time to say how they have changed things, or found that they can't, and then we go in and help them with that as well.

**CHAIR** - Do you investigate councils where they are commercially providing building surveyor services?

**Mrs CROWDER** - Yes. Not many councils provide building surveyor services. I think only about three or four do that.

**CHAIR** - I think most of the councils in the north do.

**Mrs CROWDER** - Yes, and that's where they are - there are none in the south. With building surveyors, we are concerned with their undertaking their statutory functions appropriately and that's what we audit.

**CHAIR** - Where they are commercially acting as building surveyors, are they subject to the same level of scrutiny as a private provider?

**Mrs CROWDER** - Definitely.

**Mr BOOTH** - I think under the 2000 act when these requirements came in, people purporting to be building inspectors in councils were deemed to be building inspectors -

**Mrs CROWDER** - Building surveyors and building inspectors are two different things. Building inspectors basically don't exist. When you talk about building inspectors they are normally the people who do prepaid inspections of houses.

**CHAIR** - No, I don't mean those.

**Mrs CROWDER** - No, building surveyors and assistant building surveyors.

**Mr BOOTH** - No. Using that word ubiquitously they were simply deemed to be qualified inspectors, notwithstanding they could have been the village idiot.

**Mrs CROWDER** - When the Building Act came in there was grandfathering. As a building surveyor you're required to have a degree and an assistant building surveyor needs a diploma, so they were grandfathered in, but those that I think you are referring to were grandfathered in and only able to work in councils.

**Mr BOOTH** - Yes. I am not suggesting that any of those people who were inducted -



**Mrs CROWDER** - Transitioned.

**Mr BOOTH** - transitioned through that process were not fully competent. The point I was making is that there are different requirements for council building surveyors than for private enterprise.

**CHAIR** - We have a particular case -

**Mrs CROWDER** - I know the case you are referring to.

**CHAIR** - You may not, because this involves an owner-builder.

**Mrs CROWDER** - I beg you pardon; I thought you were still on building surveyors.

**CHAIR** - I am, but this lady and her husband bought a recently completed house in the north and it was built by an owner-builder who has now moved interstate. They found that the house is in a disgraceful condition and -

**Mrs CROWDER** - I know the case; it is before me.

**CHAIR** - In Perth?

**Mrs CROWDER** - Yes, and I have seen the photos.

**CHAIR** - This goes into this whole area of owner-builders. In Tasmania we choose to register owner-builders for free.

**Mrs CROWDER** - Yes.

**CHAIR** - We register them as an owner-builder for the sole purpose of limiting them to two in 10 years. So we go through this quite expensive process of registering them and clearly we have to accept that they know what they are doing to a degree, but somebody checks the construction.

**Mrs CROWDER** - Yes, for certain parts there are inspections required.

**CHAIR** - The slab before you pour it -

**Mrs CROWDER** - Framing.

**CHAIR** - Waterproofing, damp-coursing - all that sort of stuff.

**Mrs CROWDER** - We are talking about making waterproofing a mandatory inspection.

**CHAIR** - But somebody from the council did inspect this.

**Mrs CROWDER** - Yes, he did.

**CHAIR** - Somebody paid money to that council for a building approval and somebody inspected it and passed it. Now the owners have a serious issue. Who was the person at

that council who actually did the inspections? It is bit awkward talking about a case you know about, but who was the individual who actually went on site to look at that? Is he a fully qualified building surveyor?

**Mrs CROWDER** - He was transitioned in.

**CHAIR** - So it looks all right to him and he has approved it. The question that person poses is why local government costs for building are so high if the services they provide are not accountable.

**Mrs CROWDER** - They are accountable. He is accountable because he signed off as the building surveyor.

**CHAIR** - You are investigating the accountability?

**Mrs CROWDER** - Yes, so it is before me at the moment.

**CHAIR** - Okay, good.

**Ms WHITE** - What happens from that? You audit the councils, they have an issue six months later but you cannot enforce compliance, so who does that? Who makes them comply with the law? So that is an issue?

**Mrs CROWDER** - Potentially if councils do not undertake their statutory obligations or refuse to then that would be an issue.

**Mr BOOTH** - I have always been very strongly of the view that the problems with the building industry are problems to do with the inspectorial regime, not to do with the building or the building construction, because at some point in time that goes through a legal application process and is inspected by someone who is supposed to deem it to comply with the BCA or not.

**Mrs CROWDER** - That is right.

**Mr BOOTH** - Therefore all of this stuff that we construct underneath, like stopping owner-builders building a veranda or pulling down a dunny or no more than two in 10 years -

**Mrs CROWDER** - The two in 10 years is our responsibility.

**Mr BOOTH** - But what is the point, Kerrie, about restricting owner-builders from building their own home or building a room for their kid or a veranda or a porch or whatever? It is ridiculous bureaucratic obstruction to stop the home-owner developing their home for no purpose other than to give the HIA and the MBA get extra work for their members, rather than actually building compliance.

**CHAIR** - Kim is right; it could well be an element of trade protection in their own industry.

**Mrs CROWDER** - With an owner-builder, if we do not register them for the purposes of the act to make them an accredited building practitioner then we have no control over what they build and how they build it. We are registering owner-builders so that they are

deemed to be an accredited building practitioner for the purpose of our being able to deal with poor building work. That is the only reason for registering them.

**Mr BOOTH** - I would have to dispute that. Unless they have changed the whole building system in the last 10 years, an owner-builder had to do exactly what a builder did. You had to apply, you had to get it inspected and you had to get a compliance certificate.

**Mrs CROWDER** - That's exactly right.

**Mr BOOTH** - So how does preventing an owner from building more than two things in 10 years, which could be a front porch, a back porch and then you can't build a carport over 10 years -

**Mrs CROWDER** - Carports are excluded. You can build as many sheds as you want.

**Ms ARCHER** - You mean new dwellings, don't you?

**Mr BOOTH** - No.

**Mrs CROWDER** - And renovations, work-overs, but the class 10s are excluded. An owner-builder can do the small things. He can do a hundred.

**CHAIR** - Even if it costs \$40 000?

**Mrs CROWDER** - As long as you are not putting in plumbing work because then it is not a class 10.

**Mr BOOTH** - Okay, you got me on a technicality, but a front veranda, a back veranda and a spare room, for example; it stops that owner from being able to develop their own property. That it is simply a bureaucratic obstruction to protect, as Rene said, a trade protection system rather than delivering better building outcomes. Getting back to the inspector, any of the cases that come before you have had a building surveyor who has said yes, that complies. That is the only thing that can protect anybody who subsequently purchases a building.

**Mrs CROWDER** - No. For example, in the situation from Perth that you quoted earlier, the person who inspected that, the surveyor, has a responsibility but so does the person who did the work. The owner did plumbing work, which is within the scope of -

**CHAIR** - It's against the law.

**Mr BOOTH** - Yes; that's not a case about a compliant building; that's an illegal act. You are not allowed to do plumbing or wiring so that is outside of whether it was an owner-builder -

**Mrs CROWDER** - Well, plumbing work comes under the Building Act.

**Mr BOOTH** - I know, but the point is that this person, even as an accredited builder, is still not permitted to do plumbing. He can't be deemed to be an accredited plumber; he is

just not allowed to do it. Likewise you are not allowed to be an electrician just because you want to be.

**Mrs CROWDER** - No.

**Mr BOOTH** - An owner-builder can only do certain things - swing a hammer and digging trenches and pouring, that sort of stuff.

**Mrs CROWDER** - Well, they are the project manager. They manage the project.

**CHAIR** - Yes, but they do swing a hammer as well.

**Mrs CROWDER** - They can. They might not swing a hammer but they are responsible for managing that project.

**Mr BOOTH** - The point I'm making about the compliance issue is how does two projects in 10 years, which prevents a person developing their own property, assist in getting building compliance? They are either compliant or they are not; whether it was two in 10 or five in 10, they still have to be compliant. This is just an artificial block on people being able to build their own home for their own family, simply for the sake of bureaucracy or to protect trade associations that have lobbied heavily for it. It doesn't actually improve the standard.

**CHAIR** - Originally when this was set up, certain owner-builders would build two a year and they were permanent builders.

**Mrs CROWDER** - Yes, that's right. They were in the business of building and they are not owner-builders.

**CHAIR** - No, they were actually building contractors so I guess there have had to be some limiting -

**Mrs CROWDER** - That's right.

**Mr HIDDING** - However, two in 10 years, particularly if somebody has bought a home and is on a budget over a 10-year period and wants to do some renovations, particularly when you have building approvals that expire - 'I've done the bathroom and now I want to do the kitchen'. Well, that's another job and that's your two gone. So that is an issue. You currently levy 0.1 per cent on every owner-builder job as well.

**Mrs CROWDER** - Yes. Any building that requires an owner-builder permit.

**Mr HIDDING** - That's right. So, you are taking money from owner builders and you have two sources of money. There is building practitioner accreditation, \$800 000, and it is on page 18 and 19 of the submission. There is no element there of owner-builder because that is currently free in the State. I do note somewhere in this some suggestion that there might be a proposal to register -

**Mrs CROWDER** - Charge fees for the registration of owner-builders.

**CHAIR** - Where would be the policy decision to do that?

**Mrs CROWDER** - We employ two people to undertake the registration of owner-builders and follow up - that they have not done their 10 years, that they have all the things in place, the building surveyor et cetera, and it is whether we recover costs. That is where the fee would go. We print the owner-builder kits et cetera, so there is a cost. They have to be sent the owner-builders kit and then they sign to say that they have read it.

**CHAIR** - There are two staff do that?

**Mrs CROWDER** - Yes.

**CHAIR** - Can you separate out from your building permit levy how much comes from owner-builders on your revenue side?

**Mrs CROWDER** - Yes.

**CHAIR** - Of a revenue of \$1.2 million, how much of that is owner-builders in this last 12 months?

**Mrs CROWDER** - For the month of November, the total estimation of work for that month was \$16 925 300.

**CHAIR** - For owner-builders?

**Mrs CROWDER** - Yes.

**CHAIR** - That was new applications in November?

**Mrs CROWDER** - Yes.

**Mr BOOTH** - Could you provide the committee at a later stage with a monthly breakdown of that?

**Mrs CROWDER** - Yes. From July to November, five months, it was \$85 million but I can give you the breakdown for the year, if you like.

**CHAIR** - Yes, if you could do that sometime it would be very much appreciated.

**Mrs CROWDER** - And then you have to look at the 0.1 per cent.

**Mr BOOTH** - Against the total, if you can give us a total of non-owner-builder applications.

**CHAIR** - In the second reading speech when this fund was set up, the then minister said, 'A small building permit levy is proposed in the bill for all building work valued at over \$5 000'. That is now \$12 000?

**Mrs CROWDER** - Yes, it is \$12 000.

**CHAIR** - 'This levy is to pay for the administration of the act or any other purpose related to building or plumbing matters that the minister determines. These matters would primarily relate to the administration of the building practitioner accreditation scheme, regulatory training issues and the State's contribution to the Australian Building Codes Board'. The building practitioner accreditation scheme in effect pays for itself.

**Mrs CROWDER** - It does.

**CHAIR** - The \$800 000 that you -

**Mrs CROWDER** - Exactly, totally separated, so the accreditation is self-funding and then the levy pays for the administration of the act.

**CHAIR** - Are you confident, then, that the revenue collection and the expenditure that currently takes place out of the building administration fund which you manage is in concert with the Parliament's agreement to strike this levy?

**Mrs CROWDER** - Yes. All budget items relate to the administration of the act.

**CHAIR** - So there's no cost to the general budget of either building accreditation, which takes care of itself, or this whole process of your office?

**Mrs CROWDER** - The staff undertaking the accreditation of building practitioners are paid from the accreditation fund. Those undertaking the regulations and standards and the administration of the act come out of the administration fund.

**CHAIR** - It seems to me that this is a good opportunity for you to, preliminarily, argue the case, as we are looking at costs, as to why you would want more money for the owner/builders, for instance.

**Mrs CROWDER** - For the fee?

**CHAIR** - For the fee. This is more cost on the cost of building. Why can that not be contained under what you levy already?

**Mrs CROWDER** - One argument that has been put forward and that we would argue in support of introducing a fee - and I'm not saying that we will - is that accredited building practitioners are required to be accredited and pay all those fees, insurance et cetera for them to be registered or accredited. They could be arguing that they are subsidising the owner/builder.

**CHAIR** - But they can build 100 homes a year.

**Ms CROWDER** - Yes, they can.

**CHAIR** - But the other people -

**Ms CROWDER** - Can only build two.

**Ms WHITE** - And they might just be project managers, as you said, so they will still employ that builder anyway.

**Mrs CROWDER** - Yes, but that builder does not have to be accredited. They are still responsible for the project work, so they are taking on the role of the accredited building practitioner. That's the whole concept of an owner/builder.

**Mr BOOTH** - They're spending their own money.

**CHAIR** - Everybody would understand that you don't want a circumstance where just anyone sets themselves up as owner-builders. We saw where that went before; there were dodgy operators. We used to own one of the largest building supply companies in the north of the State and the power tool company, Makita from Japan, said that there were more Makita drop saws sold per head of population in the north of Tasmania than anywhere else in the Southern Hemisphere. They didn't see themselves as handymen; the people of northern Tasmania enjoy building and developing.

**Mrs CROWDER** - They all did woodwork at school.

**CHAIR** - That's right, so to have to get a contractor in, who in many cases is less skilled than they are, is galling.

**Mrs CROWDER** - I don't have a problem with the owner-builder concept per se; my only concern is when they sell the building to someone else.

**CHAIR** - Indeed. However, under the old insurance scheme you had to get someone to sign off before you could sell it. Could something like that be -

**Mrs CROWDER** - I understand where you're going.

**CHAIR** - When you bought a house from an owner-builder, somebody had checked it to ensure that the damp-proof coursing at least was complied with. If a building surveyor walks in and says, 'This is the third time I've chatted to you about what you're doing here. I don't think you're competent and you're not paying attention to the codes. I'm going to strike you. You're going to have to get some help here' - it's not even incompetence, it is somebody trying to dodge the system - then somebody needs to blow the whistle during the project, not just approve it and find out how it goes years later.

**Mr BOOTH** - That's the essential problem. Again, it is the inspection that's the problem; the surveyor has the ultimate sanction.

**Mrs CROWDER** - I understand that, but the building surveyor, we need to understand, is not into the aesthetics et cetera. He will sign off on the requirements under the BCA. The upside-down tile or the painting work et cetera is not the building surveyors' purview; they are not going to be signing off on that.

**Mr BOOTH** - Why is it any different for an accredited builder? It is the same rules so why do you have this overanxious concern about an owner-builder or grandpa who happens to be a builder who has retired and wants to build his daughter a room on the house?

**Mrs CROWDER** - I do not with an owner-builder; I am just saying that when they sell the house, it goes warts and all. A possible solution to that is under vendor disclosure that we disclose that it was built by an owner-builder, I do not know, and then it just highlights the fact to the person buying it that they may wish to get it checked. I do not know.

**Mr BOOTH** - The thing is, Kerrie - and I am sorry to cut you off there; it is because of the time - you go along to buy a house and there is whole lot of hoops that you have to go through. You have to get the bank to lend you the money, usually you have to get inspections done - whatever they require.

**Mrs CROWDER** - It is your biggest investment.

**Ms WHITE** - It is buyer beware in Tasmania.

**Mr BOOTH** - I know but to get the money and so forth there is a whole lot of stuff and you make the decision to buy it and if you buy a house, the solicitor sends a certain form to council requiring you to disclose any building works that have been done over \$5 000 et cetera, so all that stuff is completely transparent and revealed and as well as that you get the permit number to prove that it is an approved dwelling. So if it has been inspected and approved then everything that has -

**CHAIR** - We get back to the inspection then.

**Mr BOOTH** - Everything that is not transparent, that you cannot look at, has been inspected and approved. The aesthetics of an upside-down tile or pink painting on a wall is the buyer's decision. One person might love it and another person might not.

**Ms ARCHER** - When we bought our house we had a building inspection; there had been sign-off at every stage. It was an owner-builder but he had his own building company. There was a fraud case and he has since fled the State but it was a very well-known company and so we had every right to assume that everything would be okay. It passed the building inspection, and we had a watercourse actually coming through our house and nobody picked that up.

**Mrs CROWDER** - It could have been that that should have been at the planning stage by the building surveyor.

**CHAIR** - Are there any more question for Mrs Crowder?

**Mr BOOTH** - Just quickly, Kerrie, getting back to the budgets for building accreditation and administration, it seems to me an extraordinary amount, a \$1.2 million budget coming in for building permit levies and \$2 000 for appeal board fees, but out of that \$1.202 million of income \$797 000 goes on salaries and wages. Then when you go to the next page and look at the building accreditation fees, \$800 000 total fees, \$665 000 - some of that is superannuation et cetera -

**Mrs CROWDER** - And payroll tax et cetera.



**Mr BOOTH** - Yes, but \$665 000 seems a lot of money to do a lot of regulating. Can you provide the committee with a breakdown of the FTEs and what they do?

**CHAIR** - And a brief position statement as to what they do.

**Mrs CROWDER** - Yes, for each staff member.

**Mr BOOTH** - And the salary band each one is on. We do not have to have the name of them, just the building, this is a PD and this is what they are paid.

**Mrs CROWDER** - You want the PDs as well?

**Mr BOOTH** - Yes, the position descriptions.

**CHAIR** - Yes, but not the full thing; just a precis of it.

**Mr BOOTH** - What their role and responsibilities are.

**Mrs CROWDER** - Yes, that is not a problem.

**CHAIR** - That would be great. Mrs Crowder, thank you for your frank contribution here today and the good conversation we have had together as we commence this process.

**THE WITNESS WITHDREW.**

**Mr ROY ORMEROD**, GENERAL MANAGER, WORKPLACE STANDARDS TASMANIA, WAS CALLED, MADE THE STATUTORY DECLARATION AND WAS EXAMINED.

**CHAIR** - Thank you, Mr Ormerod, for your attendance here today. It is fair to say that we are probably just a little unclear where the boundaries are between you and the Director of Building Control. We could easily have had both of you at the table at the same time but it is just one of those things that we just move through.

In a nutshell, what are your responsibilities in this?

**Mr ORMEROD** - I actually did hold the statutory office for a short time, too, as Director of Building Control so I do have some knowledge in that area.

I am the General Manager, Workplace Standards, and building control is a branch of Workplace Standards Tasmania so from a hierarchical point of view Kerrie Crowder reports to me; however she holds independent statutory functions as Director of Building Control. She is also administrator of occupational licensing, I did not think she had enough to do with building control so she is doing two jobs, and that is where it sits. She is an independent statutory holder which gives her certain obligations under the legislation to perform certain functions independently but on the other hand from a hierarchical point of view she reports to me on various issues to do with staffing, et cetera.

**CHAIR** - Do you have any statutory responsibilities separate from the Director of Building Control, such as building appeals?

**Mr ORMEROD** - No, I have no role with building appeals. That is separate from Kerrie as well, of course. It is a totally separate body. I perform a statutory function for gas safety and I am the Director of Industry Safety so my areas are mainly around that. There are some crossovers obviously like, for instance, the white card where there is an obvious interest, and also in building standards in the way in which building is carried out. I have an obligation to ensure that it is done safely. That is where there is a common interest, I guess. Kerrie's functions make sure that buildings are built in accordance with the code and my function is to ensure that buildings are built safely, so there is a link there, too.

**CHAIR** - Given your background - and I know I can ask you a couple of questions about how this is all slotted into place because you were formerly, of course, with Consumer Affairs and we are now in a post-compulsory insurance environment -

**Mr BOOTH** - Post last resort.

**CHAIR** - Yes, that is right, which is an interesting position to be in. From your point of view, are consumers reasonably well protected under the current system?

**Mr ORMEROD** - I think that it will improve. For consumers there was a backward step when it went from first resort to last resort, so housing indemnity insurance for protection of consumers was a retrograde step when we went from first resort to last resort. That was definitely a retrograde step, and of course that is history.

There is a move now towards a mandated consumer building disputes process and that combined with -

**CHAIR** - Nationally?

**Mr ORMEROD** - No, in this State. You may recall that there was money taken from the building levy to Consumer Affairs and Fair Trading to provide a conciliated service for consumers and also to develop some more to provide almost a mandatory mediation, if you could call it that -

**Mr BOOTH** - Like adjudication, Roy?

**Mr ORMEROD** - Yes, adjudication. Just recently, the administration and development of that has been moved over to Kerrie's area. The officer at Consumer Affairs who was engaged to carry out that sort of conciliation work now is with us. So domestic building disputes are now handled by Workplace Standards through Kerrie's area and we will be recommencing the development of legislation to provide an adjudication service, which should provide an avenue for quick access to justice for consumers.

**Ms ARCHER** - So that would provide a resolution of the dispute as opposed to a mediated outcome?

**Mr ORMEROD** - Yes. Initially the idea would be an offer of mediation and conciliation. If that fails there would be a formal adjudication process which would be done quickly - in 14 to 28 days. It would use the evidence already gathered in the mediation process. It hasn't been finalised yet but hopefully that can be done almost without the need for more hearings et cetera.

**Mr BOOTH** - Lawyers.

**Mr ORMEROD** - Yes, no lawyers.

**Mr BOOTH** - The evidence that was gained through security of payments investigation, if you like, could be used for evidence -

**Mr ORMEROD** - Exactly.

**Mr BOOTH** - beyond that for adjudication, because inherent in that already is an adjudication at least in part, isn't it?

**Mr ORMEROD** - It is, yes.

**Mr BOOTH** - So it would be looking at the balance of that, would it?

**Mr ORMEROD** - Yes, exactly. That is why it has come to us because security of payment is the thing now. Security of payments puts obligations on building owners, which is quite unique in Australia. We thought we have already got that part so why don't we build the whole dispute process around that so that we have it all together in one organisation.

**Mr BOOTH** - So has security of payment legislation, in practice, been invoked in the State?  
Are many people using it?

**Mr ORMEROD** - Yes, it is. There are stats that Kerrie's area has given me on the number of complaints they've handled on security of payments. There were about four or five cases this year. It only started in December last year and, of course, it only affected contracts that were entered into after the commencement of legislation, so there is always a lag. There have been some interesting outcomes. For instance, in one case, the disputed amount was about \$400 and the cost of the adjudication as awarded against the complainant who was forced to pay the \$475 plus \$600 for the cost because, in fact, the complaint was spurious. It was a good outcome.

In another case the claim was for \$6 730. The cost of adjudication was \$1 100 so it was a reasonable cost for the amount of the claim. In that particular case, the claimant was unable to prove an entitlement to payment and was required to pay the cost of adjudication. It is an instance where it went against the builder and the owner was right in not making payments. So there has been an even-handed approach to this.

**Mr BOOTH** - The only money that wouldn't be refunded was the cost of getting the nominating authorities to refer the initial -

**Mr ORMEROD** - The adjudication can be awarded to the losing party or 50:50 or any party depending on how they -

**Mr BOOTH** - But the initial application is not refundable, is it?

**Mr ORMEROD** - No, the initial application is paid by the parties. So, it's working out quite well. This has all been done by an authority that is granted the capacity to actually carry out this adjudication service.

**Mr BOOTH** - Have you any other detail on these matters in terms of effectiveness of the security of payment legislation?

**Mr ORMEROD** - It would be interesting to see whether it has improved the payment flow.

**Mr BOOTH** - Yes.

**Mr ORMEROD** - Yes, it would be interesting to see how that goes. I reckon we should have an idea; it will be interesting how we actually manage that. The whole idea of security of payment is to protect the subcontractor who, in the past, has almost been expected to fund the project because the principal builder has said you will get paid when you are paid. Often it is at the end of the project when the poor subcontractor owes tens of thousands of dollars and has been paid nothing and has to wait to the end. A friend of mine is a self-employed plasterer and he has told me that on average he would write off \$30 000 a year that he couldn't get payments for. This now gives him that protection.

**Mr BOOTH** - Do you have anything in written form you can provide to the committee in regard to the cases and any analysis you've done of that particular legislation?

**Mr ORMEROD** - I can certainly give you some information on the cases. The analysis fits with Kerrie's area and we can provide some information. It may be a bit early yet, but we'll see how it goes.

**CHAIR** - Perhaps the director could do a précis of the implementation of security of payments and whether she feels it's working.

**Mr ORMEROD** - Yes, perhaps surveying subcontractors to see whether they believe the process has been a benefit to them. It could take some time.

**Mr BOOTH** - That is a very interesting construct, to talk about resolving building disputes at the end of the process, because from what I could see when the legislation passed through the House - and we had an extensive briefing with Kerrie late that night with regard to it - it appeared to be very well constructed legislation. I am very interested to see if it is working and, if not, how it could be improved. It might be fundamentally the way of dealing with a lot of the non-compliant works.

**Mr ORMEROD** - It could well be.

**Ms ARCHER** - Are there any enforcement mechanisms? Once there has been a determination and a certain amount of money has to change hands, what if it's not paid?

**Mr ORMEROD** - I imagine there is an order for which you could apply to the court to have it enforced.

**Mr BOOTH** - It's the equivalent of a court judgment, in that sense?

**Mr ORMEROD** - Yes. The other interesting question - and it's within the authority of the Director of Building Control - is if, say, the person not paying is an accredited building practitioner and not an owner, and that person is habitually not paying contractors, that could fall into the area of whether this person is a fit and proper person to hold accreditation.

**CHAIR** - That's right, you start getting into that area.

**Mr ORMEROD** - Yes, so you have that contact that could come out of this.

**CHAIR** - Could I now go to your role as Director of Workplace Standards? We're looking at the things that over the last 10 years have added to the cost of building. As the director of a company in the past that built quite a number of cottages in the north of the State, we never had anyone from our tiling company fall off the roof, but now I note that every roofing job requires scaffolding, fences and the whole thing.

**Mr ORMEROD** - Over a certain height, that's right.

**CHAIR** - I can see the commonsense in that, but there was never a strong safety culture in the building industry 15 years ago and there is now and that's a good thing. Are you aware of any changes in the wind to toughen things up ever further? Do you work with the Building Industry Construction Training Board to deliver any training packages for workplace standards and OH&S and the things you're responsible for?

**Mr ORMEROD** - There are new national occupational health and safety laws. The model act was supposed to commence in Tasmania on 1 January 2012. For that model act to have any effect on these regulations and codes, the draft regulations and the codes were released for public comment yesterday and contained in them would be issues around safety in the building area. There is a national code for domestic building work which we haven't adopted in Tasmania - we call it guidance material and we don't mandate that - and there is a mandated code for commercial buildings. My personal view is that there is no reason we should control domestic buildings any differently from commercial buildings. They should all be the same, but at the moment there is a different standard. People involved in domestic building work don't get the same level of OH&S protection as they do in a commercial building. From the point of view of black letter law, however, the Workplace Health and Safety Act is quite specific - that is, any worker should be working in a safe environment. We are finding, though, that a lot of employers, contractors, want guidance on how to interpret that. In 1998 the idea under the Robens model was to put the responsibility of health and safety back onto the employer. Don't say you tick these boxes and you have a safe workplace, say you assessed the safety here and you determine what is appropriate for your circumstances. It was a good idea at the time and it is interesting because there was a dropping away of injuries within the workplace so it seemed to be working. But it has almost turned back and employers are saying, 'I want some guidance'. We have to be careful that we do not end up going to the stage where a person dies on a workplace and the regulator is blamed because the law is not right.

**CHAIR** - Exactly. You did not inspect the place.

**Mr ORMEROD** - Blame someone else, yes. We have to make sure that the employer, the contractor, is liable -

**CHAIR** - So is that education?

**Mr ORMEROD** - Education very much so.

**CHAIR** - Does the building industry, which plunders many millions from the building community in Tasmania, teach this stuff?

**Mr ORMEROD** - Yes, they do. I have changed a lot of the approach of our inspectors of late to be more proactive. We do more proactive visits than we have ever done in the past. I do not like inspectors sitting behind a desk pushing paper, I want them out, calling on building sites, and everywhere else for that matter, and looking for issues and giving help and guidance to employers on how they can improve their workplace. That is our focus. If you look at the compliance triangle, most of our work should be involved in educating and helping. We ping the ones that refuse to help themselves. That is our focus.

With the industry training board we have had discussions in the past about what they can provide, and they do do a lot of training for the industry in respect to health and safety; the board make-up almost dictates that that will happen.

**CHAIR** - Yes, but does your department get involved in that training?

**Mr ORMEROD** - We have not formally. Kerrie alluded to the fact that we were asked to do part of a workshop around the State with the industry training board. We did that two months ago with the training board and we were called on as keynote speakers to talk about what we do. There were two building practitioners, we had a good roll-up, and from that the board learned about what they saw that they needed to enable them to work more effectively in their industry, and it included issues around health and safety. So there will be a greater exchange of information between the board and us in the future as a result of that.

**CHAIR** - Does Workplace Standards charge for your services to the building industry in any other way?

**Mr ORMEROD** - No.

**CHAIR** - There is no double dipping here?

**Mr ORMEROD** - No, the taxpayer pays for us. Apart for the fees for licensing et cetera, what we provide is provided as part of our normal business.

**Mr BOOTH** - Before you come up with some of these regulations do you do some sort of regulatory impact study to see whether this is going to impose an unnecessary cost? I put it to you that one of the effects of a lot of these regulations that have been brought in over the past dozen years has been, in some cases, to protect ultimately consumers and to make building work for workers safer on jobs. But one of the other side effects has been to make work on sites not necessarily safer, in fact sometimes more dangerous, and to drive costs through the roof for consumers by unnecessarily and unnaturally restricting access and entry points into the building trade and the plumbing trades and the electrical trades because the compliance costs become so high and the burden so odious that people are just walking away from the industry, and not because they are not excellent tradesman. I can bring in half a dozen people who have left the industry simply because of the odious and offensive burden of responsibility and compliance that Workplace Standards and accrediting authorities have imposed on people. Basically they have driven them out of the industry.

**Mr ORMEROD** - That is sad to hear. I would like to hear from them. I do not get that feedback. It is an interesting balance.

**Mr BOOTH** - I will give you an example in a general sense. You have fixed compliance costs, accreditation costs, CPD costs, a whole lot of insurance costs, professional indemnity insurance, public liability; you still have to have a ute to cart your tools, you still have to have an oxy-acet, you still need gas certificates and all sorts of other add-ons and in the case of accredited builders if you want to knock down a verandah it is an additional fee, you have to have a demolition permit for what generally has been the ordinary work of a broad-based builder in Tasmania. A builder in Tasmania is not a specialist in just putting up studs or whatever - sorry, I am talking about the tradesmen sitting under the builder effectively. I am using that ubiquitously. But if you only want to work two or three days a week then half the money you earn is chewed up in compliance costs so you have to charge more to be able to do the job. Rebecca mentioned the grandpa building the room, for example. They may have been a

tradesman for their entire life, a better builder than a lot of people in the industry now, and they are excluded from the job because there is no capacity for them to maintain their place in the industry, only because of the compliance requirements. Is that an area that you can look into and see if you can allow those people to remain in the industry instead of driving them out?

**Mr ORMEROD** - As a regulator, our role is to carry out the wishes of Parliament which generally carries out the wishes of the community. That is usually the model we work under.

**Mr BOOTH** - I do not recall ever the will of Parliament being that builders should be driven out by costs. Do you recall that, Rene?

**CHAIR** - It probably would have got my attention.

**Mr ORMEROD** - No, I understand what you are saying and I can assure you that my aim is not to drive builders out through costs. That is not my aim at all. My aim is to enforce legislation given to me.

**Mr BOOTH** - But you understand there, Roy, that -

**Mr ORMEROD** - I understand what you are saying and I personally have some conflict in my own mind about the degree of regulation that we pile upon these people on the basis of the argument of the need to have national uniformity. We have now produced laws and regulations that are nationally uniform that are 1 000 pages thick and this is all through harmonisation and cutting red tape. This has been developed through industry negotiations, years of discussion with every stakeholder you can think of, and this is what has been produced.

**CHAIR** - A thousand pages out of a harmonisation project?

**Mr ORMEROD** - Yes. They are legitimate questions that you put but on the other hand, things you get in Parliament are complex, too. In the old days, for instance, a gasfitting project would have been fairly simple but we have now natural gas and we have complex high-performance gas devices which you need to be trained properly to do.

**Mr BOOTH** - Yes, but when you get back to the level of the very small thing like simply fitting a gas bottle onto a barbecue, technically I think under the act you are not allowed to do it unless you are a registered gasfitter.

**Mr ORMEROD** - You cannot replace a tap washer either legally, but that has been the case for years.

**Mr BOOTH** - There you go, that is another example of how preposterous the whole system has become.

**Mr ORMEROD** - That goes back to 1950, but just an example, we did not overly regulate LPG gas appliances, we let industry regulate LPG gas appliances. LPG gas appliances are used in places like pizza ovens. They were brought in and they were installed by accredited gasfitters and suddenly the people said, 'Beauty, we can convert it now to



natural gas because we have natural gas to our front door'. Guess what, the LPG gas appliance was not properly accredited in the first place. No-one bothered to check to see whether it actually met the standard. Why? Because the standard of the gasfitter's knowledge was lacking. What do you do? You require them to attend more courses and you cost this pizza owner tens of thousands of dollars. 'Don't worry me, mate, I'm unemployed now'. They are the sorts of drivers in the industry, that we need to make these guys more professional, so that is one side of the coin and on the other side of the coin is what you are saying, Kim, the unfortunate unintended consequence of actually pushing those people who choose not to have the insurances out of the business, which ultimately reduces competition and pushes up prices. They are all the pressures either side that we need to try to work through to come up with a model that's in the best interests of the community as a whole.

**Mr BOOTH** - It seems like you're using a sledgehammer to crack a nut with some of those things. There are 1 000 pages of stuff to get uniformity; you have people who carry out an illegal act, as you've said, changing a washer in their tap; you have people hooking up barbecues who are committing an illegal act. It is quite a serious thing that the law is being flouted and broken on a daily basis around the nation, and yet here are these regulations - with the best intention in the world to regulate what might be a dangerous situation - that impose this ridiculous burden. Somehow you need to figure out how you can make these regulations -

**Mr ORMEROD** - Try to get the balance right.

**Mr BOOTH** - Well, make them effective and not drive people out of the industry simply because of the costs of compliance. That's part of the problem. If you impose too high a regulatory burden that's more to do with bureaucratic restriction rather than capacity or standard of work, it achieves nothing other than driving building prices through the roof.

**CHAIR** - I think the airline industry struggles with this all the time. 'How safe is a plane?'. 'It is safe.' 'Can we make it safer?'. 'Yes.' 'Could we then fly on the plane?'. 'No.' If we spend any more on making the planes any safer, you can't get on them because it would be \$1 000 to fly from here to Melbourne. So there are compromises. This committee is looking at what is affordable. We still want to have affordable homes. In Tasmania, for the average young married family or a young couple who want to build a house or have a house built it is ridiculously out of their range. We have input from builders and surveyors who say it's just layer on layer on layer. Every extension cord in this place has a blue tag now.

**Mr ORMEROD** - By the way, cord-tagging is not compulsory.

**Mr BOOTH** - When did that change?

**Mr ORMEROD** - It has never been compulsory.

**Mr BOOTH** - That's very interesting because when I had my sawmill I had people from Workplace Standards who threatened massive repercussions if we didn't test the cords, so we wasted \$500 a year testing cords that were fine the instant they were tested but 10 minutes later, if something happened, they were faulty.

**Mr ORMEROD** - I can assure you that tagging and testing of cords is not mandatory.

**CHAIR** - So other wiring is but the portable cords aren't? That's interesting.

**Mr BOOTH** - I'm sure that would be something we should look at. You should make an announcement, Chair, because there are plenty of electric toothbrushes that have tags on them, and phone chargers.

**Mr ORMEROD** - You, as a sawmill owner, would know that the hazards of electrical safety and all aspects of safety -

**Mr BOOTH** - I still have 10 fingers.

**Mr ORMEROD** - Therefore you'd know what you need to do to keep the workers safe. What the tagging does is set down a guide. If cords are exposed to the elements, it's recommended there be three major checks to see if they're okay, but that doesn't mean that a day after you've checked it you can abuse it.

**Mr BOOTH** - That's one of the problems; it gives people a false sense of security.

**Mr ORMEROD** - Which is what I alluded to earlier with the model of pushing responsibility back onto the owner, who should know what's safe, and give them some education and training on what they need to look for in ensuring a safe workplace and be careful about imposing too many codes and standards. There is that pressure that we as regulators get, 'Why aren't you regulating this? Why aren't you putting more around this and more around that?'. If there is a death in a mine or in aquaculture it's 'Why aren't you down there?'. That's the other side of the coin that we have to be careful of.

**Mr BOOTH** - Have you ever struck a builder off for not being a fit and proper person and how would you define a 'fit and proper person'? Is it a moral thing or a prescribed thing?

**Mr ORMEROD** - It's professional misconduct and unprofessional conduct.

**Mr BOOTH** - If a builder ran naked down the street, for example -

**Ms ARCHER** - It would be unprofessional conduct, probably.

*Laughter.*

**Mr BOOTH** - If it wasn't related to the building work, would they pass the test or not?

**Mr ORMEROD** - I'd say it would depend on who was watching.

*Laughter.*

**CHAIR** - We thank you, Mr Ormerod, for your, as always, frank submission and answering of questions.

**THE WITNESS WITHDREW.**

**Ms JESSIE BYRNE**, DIRECTOR, LOCAL GOVERNMENT DIVISION, WAS CALLED, MADE THE STATUTORY DECLARATION AND WAS EXAMINED.

**CHAIR** - Ms Byrne, thank you for turning up today.

**Ms BYRNE** - Having looked through the terms of reference for this committee, I am not convinced that I will provide a lot of value because so many of the regulatory issues that you are interested in actually fall outside my division. They relate to building codes or planning or whatever. That said, in any way I can be helpful, I will.

**CHAIR** - Since the Building Act 2000 came into force there was a new environment for councils - the privatisation of building surveyors - but also the opportunity for councils to act commercially in the provision of building surveyor things as well. I am not sure whether anybody quite predicted that a number of councils would act as permit authorities in the way that they have.

**Ms BYRNE** - As which authorities?

**CHAIR** - They are called 'permit authorities' which set them up with some pretty special powers. We have a number of submissions that express concerns about that. One submission even reckons they are doing it too cheaply thereby skewing the market. We are interested in that too because if they are doing it too cheaply then the ratepayers are subsidising a commercial activity, which is a silly thing to do in any case. Has your department had as many complaints, as complaints generally come to you, where people are frustrated with the council? Have you had many complaints from ratepayers about intractable issues with planning or permit authority types of issues?

**Ms BYRNE** - No, in short. I have had the position of Director of Local Government, as well as of the division, since 1 July and in that time there have been no complaints of that nature. The complaints that I would receive formally as the Director of Local Government would rather relate to pecuniary interests of councillors, how meetings are conducted -

**Ms ARCHER** - Breaches of the act?

**Ms BYRNE** - Yes, those sorts of things. Breaches of the Local Government Act itself would fall outside of what I do. We do occasionally get people who raise planning issues with us not realising that in fact our division does not deal with planning issues and we would then refer people on to the Planning Commission or whatever as was appropriate. So we do a fair number of referrals but the issue about permit authorities, not specifically.

**CHAIR** - One council, the Break O'Day Council, has two separate complaints against it for its activity as a permit issuer, which I find very interesting. How can you accuse a member of parliament of not having done his homework? How do you know how much homework he has done? How much work does he have to do? He can simply be against something because he feels like being against something, I would have thought. But now, because they have this permit authority thing, they appear to be required to demonstrate that they have done their homework, which could be fatal in Parliament.

**Mr BOOTH** - It would be fatal, I am sure.

**CHAIR** - As there are breaches of the code of conduct now, what is your understanding of where this all goes?

**Ms BYRNE** - As you know, code of conduct breaches are looked after by the local government sector itself, it is self-regulating, and the role my division has in that is in some ways setting the broad parameters for what is required out of code of conduct. There is a request on behalf of local government to us to review the whole of the code of conduct provisions and at this stage it is only a resourcing matter that has prevented us from moving in that direction.

In the case of Break O'Day, I can tell you that there is nothing formal that has come to me as the Director of Local Government and it certainly has been a LGAT matter through the code of conduct process, not through ours.

**CHAIR** - LGAT manage the board do they, the three-person panel?

**Ms BYRNE** - Correct, they manage the code of conduct panel.

**CHAIR** - It is an industry standards panel?

**Ms BYRNE** - Yes, that is right. The standards panel is actually the LGAT panel and it is outside State Government altogether.

**Ms ARCHER** - You mentioned before that that issue has come back to you. Is that because councils generally do not want to be self-regulated and they would prefer not to have judgment by their peers and have an outside process?

**Ms BYRNE** - There are a lot of issues but some of the issues relate - and this is probably a side issue - more to vexatious code of conduct complaints, how they might be conducted, how they are paid for, and also issues like if you go to the standards panel your next point of appeal is the Supreme Court, which is a huge leap and of course is financially not available to so many people, councillors or otherwise. So it is those sorts of issues within the code of conduct system. It is not particularly around planning.

**Mr BOOTH** - One of your roles you said was making sure that councils were in compliance with the act obviously. There is at the moment an investigation, and I do not want to suggest to you that I have an opinion on what happened. Hypothetically then you have a permit authority who has a statutory function where they have building surveying responsibilities and the surveying work that has been done on buildings apparently or hypothetically might not have been done to the correct standard and yet they have ticked off on it. What involvement would you have as Director of Local Government where a case like that occurs? In other words, they are complying with the act in that they have a surveyor but the surveyor hypothetically is not in fact inspecting work properly to ensure they comply; in fact the works are non-compliant.

**Ms BYRNE** - That would not be under the Local Government Act and therefore would be outside my purview. That compliance of surveying is not within our act.

**Mr BOOTH** - Is that not a statutory requirement, a compliance with the Local Government Act, that they do things like administer the Health Act, the Building Act, et cetera?

**Ms BYRNE** - In that case we would accept a formal written application of complaint and at that point we would then investigate it and see if there was any case to be met under the relevant sections. We would have to identify the relevant sections. If there was a formal complaint that we thought was worth investigating, we would then lodge a formal investigation or, alternatively, we would refer the people involved to better authorities such as the Ombudsman or whatever, if we did not think that it fell within our ambit.

As the Director of Local Government, I can actually launch my own investigations. I do not have to be requested.

**Mr BOOTH** - That is what I was going to say, do you have a proactive approach to that?

**Ms BYRNE** - Yes, absolutely. I would have to be aware of a very significant level of concern before launching an investigation, primarily because there are complaints raised about local government absolutely every day by a range of people.

**CHAIR** - It is a national sport.

**Ms BYRNE** - Yes, it is, and one has to bring a certain scepticism to those until one can say that this looks as though it is something that stands out in the crowd and requires more investigation. In the five months I have been in the job I have not personally launched any investigations.

**Ms ARCHER** - Is that partly a resourcing issue? Do you feel that you would have the resources to launch an investigation or do you have any allocation for that specific purpose?

**Ms BYRNE** - I must say that given the budget situation for all government agencies, our division has seen a reduction in staff numbers and there is a resourcing issue across the division but I can assure you that if we thought there was a significant matter that I, as the Director of Local Government, should launch and it was significant enough to consider, we would do it regardless of resources.

**Mr BOOTH** - One of the problems with some of these matters is that Parliament passes legislation that is then imposed as an actual statutory obligation on local government and as part of that process too bad if there are not enough qualified building surveyors, you just touch them on the shoulder with a ruler and deem them to be a surveyor, which passes an odious requirement not only on the personnel themselves, the person who is so appointed, but also on the council then because they have effectively had a qualification given to somebody who ordinarily would not have that qualification and therefore may be inadvertently approving works that in fact do not comply therefore causing risk to public health and safety and risk to the asset of a person who has been forced by the Government to go through a certain regulatory regime and they do not actually get the benefit of the regulation. There is a big liability imposed on the council as a result of that as well and so I would have thought that some sort of proactive inquiry on the director's part would be worthwhile because it could translate. There may be other areas, for example, with health regulation. Are all the health inspectors not qualified simply for the

sake of having a bit of paper but properly trained, properly capable and resourced to do their job.

**Ms BYRNE** - It's how long is a piece of string. There is a broader issue in local government, which is generally about skills. You've identified the ones relevant to this committee and this review, but on the whole they're struggling to get people of adequate skill to be employed. You mentioned surveyors; I did some work prior to this job in looking at vocational requirements across a whole range of vocations and it was a problem right across the board. Firstly, to get people into these vocations and, secondly, to attract them to local government, which has lower pay rates, often more isolated jobs and poorer career structures than, say, the mining sector. It affects the building side but it can also affect the whole works of local government. Places such as the Launceston City Council are well placed to attract people; other smaller councils aren't as well placed.

**CHAIR** - They still struggle, though, getting engineers et cetera.

**Ms BYRNE** - Yes. In my view, unless there is a breach of an individual council, an investigation is not the way to go. The issue is more about developing the capacity of local government. We've made some attempts to do that but we need more time and resources to fully explore that. Within our division we look after a limited number of areas. If we were to start talking about health, environmental protection, building, climate change et cetera, there would be more topics than we have people. It is a capacity issue that could be considered at a policy level, rather than an investigative approach.

**Ms WHITE** - You said you've already started to develop some capacity; what does that mean in a practical sense?

**Ms BYRNE** - We've done a few things. Mr Hidding will know of the Stronger Councils and Better Services program that we launched, which was a grants program. That did a number of things. It was only a small, defined program and we do it on a daily basis. It provided \$200 000 to the sector, but \$33 400 went to developing a planning training course for elected representatives of local councils because it was identified both by ourselves and LGAT that many councillors were planning authorities but didn't have the necessary expertise and knowledge to carry that out. They have had the first course. I don't have the details with me. It was earlier this year; LGAT might have them in their submission. It is still on a voluntary basis that councillors have come forward, but it was a very good response for the first one. That builds some degree of capacity and it's an ongoing course.

There was \$70 000 provided by us under that to do financial and asset management reform for the sector. So that is building capacity as well as systems and structures that are much improved. We expected to get around \$900 000 from the Local Government Reform Fund from the Commonwealth Government in January 2010, but we think it will be about January 2011. That will be a very significant reform in building the capacity and capability of the sector.

The remaining money, about \$104 000, went to separate projects in about nine councils across the State in the three regions to collaborate and cooperate to build capacity, not so much on the skills but to do things together because as individual councils you can't

achieve as much, especially with limited resources. That related to emergency management, shared IT, shared back-house services and we are encouraging that at a broader level. They are the sort of capacity things we're talking about.

**Ms WHITE** - I notice that the division also collects data: the number of planning applications, average days for approval and that sort of thing. What do you use that data for?

**Ms BYRNE** - We are right in the middle of having reviewed that collection of data. It's known as the KPI report and it's measuring council performance in Tasmania. That data has been used by State government agencies and councils themselves to look at performance, but primarily it goes to the ABS and the States Grants Commission for its allocation of funds. We have just finished a review of the consolidated data collection. It is an annual collection and we will be expanding what we're collecting, starting next year partly and then more fully the following year, through a separate project called the Sustainability Objectives and Indicators Project. We want to start seriously measuring the real sustainability of the sector and how it is performing, not just putting out data that, in my view, has been helpful but on the whole not as meaningful as it could be. We want to make a really meaningful measurement so we will be continuing to collect financial asset data and some of the other data to go to the Grants Commission and the ABS, and we will be adding other data. We currently have expert working groups from councils who have just finished statewide consultation on it. We expect to be looking at things like assets, finance, planning, workforce diversity, corporate management, governance and regulatory compliance. We are also talking about a particular field called 'place' because we recognise that councils aren't required to but do provide an enormous number of services that contribute to the places in which they exist, environmentally, economically, socially. They can bring them to the fore so that they can be looked at or measured and also better communicated to their communities.

**CHAIR** - It is a justification for them existing, and in many cases it is a very strong one.

**Ms BYRNE** - Exactly. Some of the non-regulatory stuff is some of the really important things that councils do. We hope to launch a mini version of that next year, continue to consult with the sector and have the full version the following year.

**Mr BOOTH** - You mentioned things like KPIs not necessarily being directed in the right way or some of them being meaningless.

**Ms BYRNE** - I'm hoping that if the sustainability project can measure compliance, it might then have a better measurement of how long it takes councils to do certain tasks, which should of course have some impact on costs and efficiency overall.

**Mr BOOTH** - Yes. In relation to that, are there any areas of compliance requirement of councils where you can see impediments to building, matters that unnecessarily impede development and cause a problem for councils in terms of costs and requirement for staff and so forth and that unnecessarily drive building costs?

**Ms BYRNE** - I have almost nothing to do with building costs but this issue of councils' capacities and skills, and the capacity of elected representatives to work as planning

authorities, are issues we've identified and are working at more broadly. Though not specifically targeted at building costs, in the long term they should improve efficiency.

**Mr BOOTH** - The capacity of elected members is an interesting one because there is no requirement for a standard. There is no PD and there are no qualifications required, as there are for all staff who do have to have prescribed capacities and so forth. Are there areas that you could identify now where bad decision-making processes by elected members might be causing costs to go up, or issues with council and their costs as a result of poor or uninformed decision-making.

**Ms BYRNE** - We are aware that often a planner within a council would make a recommendation and the council will vote against it. There may be good reasons because they might have picked things up that the planners missed, but that elongates processes and often leads to appeals, which add to overall costs, especially for larger developments but often also for individuals. Again, that is the planning side rather than my side and I have watched that more from the sidelines.

**Ms WHITE** - I think it comes back to empowering councillors to have an understanding so that they can make informed decisions. I know the opposite happens where the council has been told to take the advice of the workers in the council and they've not been given a choice.

**Mr BOOTH** - Yes.

**Ms WHITE** - So it goes both ways.

**Ms BYRNE** - I'm sure it does.

**Ms ARCHER** - It goes against the ethos - being told to vote a certain way.

**Ms WHITE** - I can tell you which council it is but I won't say.

**CHAIR** - I can imagine councillors being leaned on by saying you couldn't possibly do this. I was called in to have a look at George Town where it was alleged that a number of councillors who voted for a flat rating system didn't actually understand what they did. When I said, 'Did you run a trial role to see what your system would do' they hadn't, and I said, 'Frankly, I agree with it' and took the conduct because that is what you do. If you are rating body and you say, 'We want to rate like this', then run a trial. We used to run four or five runs before we agreed on a rate because you would go first to your own house, then to your brother's house, then to the shop up the road and you would check to see what it really did but because they did not do that, they made a capricious decision. It may well have been the right one but that is not the point; they have to do the stuff.

I am very interested in this whole issue of some councils operating as permit authorities, and my guess is we will take this up with the Planning Commission. For instance, I have said to various councils and a certain one I can think of, 'Why don't you work harder for this development?' It is a huge development with possibilities. 'No, we are not allowed to touch it. We must not be seen talking to a developer because we are the permit authority and we will be deciding on this'.



**Ms BYRNE** - That is planning. That is different to permit.

**CHAIR** - Sorry, that is planning?

**Ms BYRNE** - Yes.

**CHAIR** - That was never the case back in my day. I had seven years in the Launceston City Council and we chased down developers everywhere and then sat in judgment.

**Mr BOOTH** - That is why they had the change in law.

**CHAIR** - Probably.

*Laughter.*

**CHAIR** - But it is what you did to try to get some development going. It is what councils did.

**Ms ARCHER** - There is a distinct difference between sitting as a planning authority and then sitting as a council as a policy-maker because you can be lobbied on policy and you should not be lobbied as a planning authority but inevitably you do get influenced because you are an elected person and maintaining that role means keeping your ratepayers happy, so it is susceptible to problems having the same body sitting as both.

**Ms BYRNE** - It is a tricky dichotomy. Councils are expected not to come with preconceived ideas. We are human beings. I understand the value in that but it is a very tough call for councils, especially if they care about the development in their areas.

**Ms ARCHER** - Permits are dealt with by the employees of councils, permits do not get up to council, and that is the difference.

**CHAIR** - Okay. Jessie, you were saying that you have many complaints to your division about local government - and I am not that surprised - annually.

**Ms BYRNE** - I think I said there are lots of complaints around about local government. I did not say I had many complaints.

**Ms ARCHER** - Letters to the Editor perhaps.

**Ms BYRNE** - Yes, Letters to the Editor, people in the street.

**CHAIR** - What is the process for somebody formally complaining to your division about a local government unit? How do they go about it?

**Ms BYRNE** - They would complain to me as the Director of Local Government. We would ask for that in writing. We would ask under the act if there are specifications about the information we want - who, time, place and certain things.

**CHAIR** - And perceived misbehaviour, for instance?

**Ms BYRNE** - Yes, but nevertheless -

**CHAIR** - What are they generally? Is conflict of interest one of them?

**Ms BYRNE** - Pecuniary interests are an issue and maybe breaches of how a meeting might have been conducted in terms of arriving at a decision, not the decision but the conduct of the meeting, those sorts of issues. Pecuniary interest is a very strong one. They are the things. We bring them in. I then pass them to my legal team who then do a preliminary investigation and that usually means getting more information on a confidential basis, often not at that point coming to the person who has had the complaint against them because we want to see if there is anything in it - not because we consider a degree of unfairness but because we want to consider if there is anything that is not just a vexatious or specious view.

Then there are meeting papers. Usually we go to a general manager at that point and say, 'This happened at a council meeting, could you give us the meeting papers, et cetera?' There are usually public documents in any case. We then move to say that there is a potential here and at that point we would go out to all parties involved on a confidential basis and investigate formally.

**Ms ARCHER** - Will you only investigate, though, in relation to councillors as opposed to their employees like building surveyors?

**Ms BYRNE** - No, employees as well in fact because they have responsibilities under the act as well that are quite specified. In relation to pecuniary interest or membership of organisations they might be providing planning support but they are members of organisations and have the same conflict of interest.

**CHAIR** - On a slightly different tack, but we mentioned pecuniary interest, now that we have an integrity structure how do you see your division interacting with it?

**Ms BYRNE** - This is an interesting question. I have met very briefly with the new head of the commission but they were initial talks. I have just returned from three weeks in Chicago and I did hear on my return that the Integrity Commission has shown a greater interest in looking at some of these matters, including code of conduct, but I have not had the opportunity to chase it up.

**CHAIR** - It is a bit early.

**Ms BYRNE** - It is fairly early on in the day but I certainly can say that we will be entirely cooperative and we will be talking as required.

**CHAIR** - When you say you have a legal team, is that external?

**Ms BYRNE** - No, it is within our division. We have an investigation and complaints team; they also deal with legal policy development. So we employ lawyers within the division who actually formally investigate complaints.

**CHAIR** - So there is a potential for some doubling up here. If the Integrity Commission was particularly interested in this, you could convey those questions to them.

**Ms BYRNE** - I understand that their terms can be fairly broad so that may be the case but I could not say anything definitive this early.

**Mr BOOTH** - It is interesting to have a broad-ranging discussion with you about all these other matters but in terms of the relevance to the terms of reference - and only a comment from you; it might not be within your bailiwick - do you see that it would be your responsibility as director to try to get shared resources across councils or look at amalgamation to provide a critical mass to enable departments to, first of all, exist, but also to have enough work within them to give us career paths and skills development and all those sort of things, ultimately particularly in building compliance and regulation, planning and so forth? That is a driver of cost, of course, and inefficiencies. Do you have a role to look at that?

**Ms BYRNE** - We do. As you know, forced amalgamations are not the policy of this Government, so that is on the side. But in terms of skilling-up and career development, at the national level through the Local Government and Planning Ministers Council and with the Australian Centre of Excellence for Local Government we are starting to work on a workforce strategy for the whole sector because it does not exist, which was rather a surprise to me. That has identified issues such as career development, joint business units to create greater skill expertise, mentoring, career development and therefore ability to attract new staff into the sector. Those issues are really coming forward and we are certainly providing policy input into those at the national level so that can feed back to the State level as well. As you know, we have also put a fair bit of effort into promoting more women both at senior levels and at elected representative levels in local government because we figure that further enhances the capacity because that is one area that has not been well tapped, one cohort that has not been well tapped for the sector, and I think that will help its capacity overall too.

**Mr BOOTH** - Notwithstanding the fact that it might not be government policy to have forced amalgamations, that does not mean that you cannot look at it from a reflective point of view and say, 'If you did certain things, had joint ventures with other councils' - and I think some councils do have shared resourcing with construction and so forth -

**Ms ARCHER** - Shared planners.

**Mr BOOTH** - Yes, shared planners and those sort of things. You could still look at amalgamation and simply say, 'This is what would happen if you did; these are the savings that you might make if you did a cost-benefit analysis on it', notwithstanding the fact that it is not government policy.

**Ms BYRNE** - I probably would not be putting my resources to something that is not government policy but in terms of collaboration, we certainly have given you some examples of some of the work we have done. I would personally like to extend that but do not have divisional resources to put effort. Again, that is how long is a piece of string? At what point do you do a cost-benefit analysis? If I were to do it, and this is speaking totally hypothetically, I would start with one point of skill level or idea and use that as exemplar and try to choose the critical skill shortage or whatever as an example.

But we have not done that at this point. What we are hoping for as a division and what we have been working on is to encourage local government to take its own leadership in this area.

**Ms ARCHER** - Some are.

**Ms BYRNE** - It is important for State Government to encourage it but on the other hand local government is an independent sphere of government, it needs to be managing its own resources and it needs to be putting some effort in.

**Ms ARCHER** - It is and it isn't. They do not see that they are.

**Ms BYRNE** - Yes. It is an uneven equation.

**CHAIR** - It is counterintuitive, of course; you have these councils who happen to have nine people at the top who are enjoying their little jobs. At the very notion that they should be talking to their neighbour they clutch at their heart and fall down on the ground.

**Ms ARCHER** - I know there are some councils, probably some of the larger councils, looking at that resource-sharing issue. I understand what you're saying; it is not coming from the State Government providing leadership. It's from the ground up.

**CHAIR** - It might even be the case that Hobart and Glenorchy are talking as we speak. Early information appears to be that there are quite a number of councils in Tasmania that are utilising their involvement in the planning and building approval process in creative ways, and not the same as their neighbour is. If we wanted to assess the 29 councils as to how they all go about a certain framework, would we do that via a questionnaire? What would be the best thing to do? We are not of a mind to call 29 councils in here but we would be interested -

**Ms BYRNE** - I don't think I could provide advice on that but I can tell you how we approach a whole range of issues. We do the data collection, which will have a planning component next year, but probably won't answer the questions you're looking for. They are for questions that have not been asked in the past, so that will be useful to you, but maybe not as useful as you'd like. We go to individual councils on that basis. On that particular sustainability project, we've gone out to all individual councils to get their input. We also have people from local government to speak to us directly as representatives. In other situations we ask LGAT to get the views of their sector and bring them back to us, rather than us go to 29 individual councils. There is a variety of mechanisms by which you can approach the sector. We usually do it according to which project we're doing and what seems most fit for purpose.

**CHAIR** - Thank you, Jessie, for your time today.

**THE WITNESS WITHDREW.**