



The Research Director
 Transport, Housing and Local Government Committee
 Parliament House
 George St
 Brisbane Qld 4000

Dear Committee

Thank you for the opportunity to make a submission regarding the QBSA on behalf of the timber flooring industry in Queensland. On September 11th 2012, the Qld Standing Committee of the Australian Timber Flooring Association (ATFA) held a General Meeting of its members to provide an opportunity to comment on the operation and performance of the QBSA.

The overarching belief of members, while they strongly advocate, believe and embrace in the principles of regulation and licensing was, if the QBSA are unable to service the timber flooring industry and police the unlicensed contractors, the QBSA is little more than a revenue raising function for Government.

The findings of that meeting follow:

1. *Whether the performance of the QBSA achieves a balance between the interests of building contractors and consumers.*
 - The balance between contractors and consumers is important to ensure reputable operators are at the forefront, minimising bad practice from a business and practice perspective. Licensing is valued and adds a layer of professionalism for contractors.
 - Members believed that the issue of balance between contractors and consumers was not so much the problem, as the balance between licensed contractors and unlicensed contractors. In timber flooring, the number of unlicensed contractors is still extremely high, which adds to the confusion with consumers, particularly when the \$3300 threshold is such a pivotal issue in the cost of flooring projects.
 - For the purpose of fairness and removing consumer uncertainty, the \$3300 threshold should be scrapped or heavily reduced. It is estimated that 50-60% of all timber flooring work is below this threshold, as such those contractors appropriately licensed are at a cost disadvantage from those who continue to fly under the licensing radar.

2. *Whether the QBSA could make further changes in order to reduce regulations to lower the cost of building a home.*

- Having to reapply every year with the same information is time consuming, duplicate and costly. The nature of a business changes little from year to year. A full review could occur say, every 3 years with only a financial certainty update given each year.
- The ratio analysis by which the QBSA assess businesses is out of balance and in major need of overhaul.
- Regulatory impacts are occurring across the board and up to the ATO level, some balance needs to be restored for smaller operators. If regulatory costs are reduced, subsequent ancillary building costs can also be minimised.

3. *The effectiveness of the QBSA to provide remedies for defective work and to provide support, education and advice for both those who undertake building work and consumers.*

- Defective floor work should be referred to external parties such as the ATFA for inspection purposes. While the QBSA are good at assessing work at the bigger end of the building spectrum, speciality trades like timber flooring need expert and specialised inspectors.
- On the education front, the QBSA debt collection tool kit is good but contractors need greater support and assistance with minimising and managing debt. More advice both ways on what the obligations are, would be beneficial.
- Work with industry associations is essential to provide support information, and to get that information to the contractors in a more effective manner.
- Financial assistance to industry associations to assist supporting the licensing system will assist licensing take up and awareness.

4. *The governance arrangements of and between the board and the general manager.*

- The Governance arrangements between the Board and General Manager are not readily relayed to contractors.

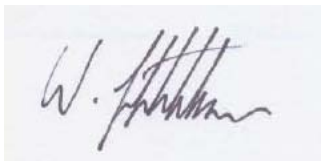
5. *The effectiveness of the Queensland Home Warranty Scheme and its protections.*

- It is believed there needs to be more education for both contractors and consumers around the Home Warranty Scheme.

6. *Whether the current licensing requirements of the QBSA are adequate and that there is sufficient auditing processes to maintain proper standards.*
- It is felt that the QBSA don't police the timber flooring industry at all and don't pursue the unlicensed operators, the QBSA only penalise those who do the right thing, those who are licensed, regarding minor misdemeanours. As such it is clear that audits of QBSA functions and procedures do need to occur, as there is a question of what the regulatory priorities should be.
7. *The number of trades licensed by the QBSA and whether industry groups could take a greater role within QBSA in terms of licensing standards and procedures for their members.*
- It would be inappropriate for our association to make comment on the number of trades licensed.
 - Industry associations should be given the opportunity to take a greater role in licensing, as long as they are supported by Government and wish to be involved. The QBSA have little effect in the timber flooring industry, it would make sense to create a working partnership with ATFA.
8. *Examining opportunities for reform of the authority with a view to enhanced assistance for both industry and consumers.*
- It is the belief of members that considerable reform of the QBSA and how it operates is required.

Thank you again for the opportunity to provide a submission, ATFA looks forward to receiving feedback on the progress of this review.

Yours sincerely



Warren Fletcher
Chair
ATFA Qld State Standing Committee