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SOUTH AUSTRALIAN BUILDERS' LICENSING.

BY DON DUNSTAN, PREMIER & HOUSING MINISTER.

The article on South Australia's new - and very effective - system of builders' licensing in your August issue demands a reply.

Demands because it contains a number of inaccurate and misleading statements which can only mislead your readers.

Before detailing these and explaining how the system does operate it is worthwhile examining what has happened in the short period in which it has been operative.

The whole purpose of a licensing system, of course, is to protect the public and the vast majority of conscientious, reputable members of the industry against the operations of an unscrupulous few.

It has been rather frivolously suggested that the implementation of licensing in some way infringes on civil liberties. The only freedom infringed is the freedom to dupe the public with little chance of being caught.

Licensing of builders and sub-contractors means that complaints about shoddy workmanship may be lodged with the Board which can investigate them.

The Board has no power to direct that work be corrected but, where a complaint is found to be justified, it may use the sanction of possible refusal to renew a licence, or the suspension or cancellation of a licence to ensure compliance with its requests.

Although the system is only in its early days a number of disputes have already been satisfactorily resolved.

In one instance a man complained about additions to his house and it was agreed eventually that the only solution was for the builder to demolish the room and vacate the site.

Another person complained of numerous deficiencies in his house and the Board arranged for the work to be completed to the satisfaction of the owner.

In a third case the Board decided that the builder was not at fault in any way and the client was unreasonable in his demands.

There was also an instance where work performed by an unlicensed builder was inspected. The standard was so low that the Board refused a subsequent application. It was clear that he had no real knowledge of building work and had not previously earned his living as a general builder. These few illustrations demonstrate that the system has already provided tangible benefits for both the public and the industry.

In granting licenses, the Board has been quite lavish in the number it has approved for both general builders and the classified trades.

It has approved the issue of 3,839 general licences to both general builders and large sub-contractors in particular trades. In the restricted field there have been 5,823 applications approved.

The Board has, in fact, granted licences to all who are genuinely engaged in the building industry.

One of the most serious, and ridiculous, charges made is that the restricted licence category ~~makes~~ an attempt to foist strict demarcation on the industry.

Nothing could be further from the truth.

When the Board asked the Advisory Committee to recommend types of restricted licences and the qualifications necessary for each licence, it suggested 16 possible main categories. The committee split into six sub-committees which, in addition to relying on members' own knowledge, also sought the views of people directly concerned.

These groups made the basic recommendations on types of licence and qualifying periods. It is interesting to note that on only one of the six were trade union representatives in a majority and, even there, the sub-committee was unanimous in its recommendations.

The detailed investigations by these groups established that sub-contractors operate in very specialised segments of the various trades. This was the reason for the multiplicity of licences rather than a desire to "ravage" the housing industry as suggested in "Housing Australia".

Sub-contractors depend for their livelihood on specialists in, say, space heating or in roof sheeting in asbestos cement. These are firms which are involved exclusively in demountable partition fixing.

The advisory committee accepted the need for licences to be available for segments of work carried out by the main building industry.

As a result they recommended licences for such jobs as form work and board fixing although this comes within the ambit of a carpenter's and joiner's licence.

The committee was faced with the alternative of saying such workmen could have a licence to cover their specific type of work, or should be granted a full carpenter's and joiner's licence or must revert to working for wages.

It was concluded that a licence should be available to cover the various types of sub-contractor at present working in the industry and that a man who undertook only part of the work of a recognised tradesman, such as a carpenter and joiner, should be able to obtain a licence for the particular work in which he specialised.

It would be unjust to take away his livelihood by saying he could no longer fix boards if he did not qualify as a full carpenter and joiner.

The multiplicity of licences, therefore, ensures the continuance of sub-contracting rather than working in the opposite direction. At the same time it was recognised that shoddy workmanship resulted from people walking off the street and taking on even segments of building work if they had no training.

Accordingly they prescribed periods of training to be ultimately achieved. The final recommendations were for basic periods of five, three years and one year.

Again I would stress that these were established after hearing the views of experts, only a minority of whom were trade union representatives.

The long term aspect of the Board's work is to raise the standard of building by issuing licences to people who have qualified by study and experience.

Reference was made in the August article to requirements set out in the "Guide to Applicants".

These were listed as a guide to tradesmen. They do not have the force of law since they are not included in the Regulations. They are merely an expression of intention on the part of the Board and it is expected that it will use its discretion in particular instances.

Turning to some of the other specific points in the article:

The new licence application form does not demand a sworn statement on the applicant's date of birth, nor does it demand details of any convictions but merely those relating to dishonesty, fraud or breaches of penalty or company law.

A company director or manager-nominee of a company does not have to supply a statement of his own net worth. He can choose to withhold this information and take a licence endorsed with the word "Manager".

To continue as a sub-contractor, a bricklayer does not require eight years experience including two years in a position of responsibility. Nor do the other tradesmen listed in the article require such experience to continue.

Buying a home is the most important investment most people make in a lifetime involving the investment of their life savings. There have been deplorable cases where people have entered into agreements to purchase a house which has proved to be unsaleable within a year or so.

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This is not always the fault of the builder but I believe the incidence of such cases can be dramatically reduced by the operations of a properly regulated Board.

Evidence so far suggests that this is exactly what is happening in South Australia.

It was not until early this year that the Housing Industry Association withdrew its support of the licensing system.

I believe considered reflection on its merits will cause its members to realise that the system as it now operates deserves their full backing and confers on them benefits and protection of considerable value.
