

Master Builders Tasmania

Top 10 for Tasmania

Master Builders

Key Election Priorities



Master Builders Tasmania is calling on all political parties to adopt its Top 10 for Tasmania, and build a stronger economy and community.

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Master Builders Tasmania's *Top Ten for Tasmania* are the key policy priorities needed for a stronger building and construction industry, economy and community.

Tasmania's builders, small building firms and tradespeople are calling on the next Tasmanian Government to deliver these policies.

If introduced, these initiatives have the potential to increase productivity, drive economic growth and generate more jobs. Master Builders Tasmania will be strong in its advocacy of its policies as they will deliver not only a strong building and construction industry, but a strong economy.

These policies include ones that have been implemented or are being implemented (and need to be carried through) as well as new matters that will need consideration and actioning.

Master Builders Tasmania looks forward to working with key stakeholders to ensure that the priorities outlined in this document are introduced for the benefit of all Tasmanians.

Master Builders Tasmania's Advocacy will be about its Strategic Policies. The Association believes that these policies are real and achievable roadmaps for a strong building industry and a strong State economy.

The building and construction is a major engine of economic activity and growth. Master Builders members build prosperity and growth in communities around the state. Master Builders Top 10 for Tasmania provides an achievable policy roadmaps that must be supported by all political parties at this Election and implemented by the next State Government.

These are the Top 10 for Tasmania

1. Northern Suburbs Growth Corridor
2. Focus On The Economy
3. Affordable Housing
4. Buy Locally Policy – Major Projects
5. Apprentice Reform
6. Implementing Planning and Building Reforms
7. Attracting Skilled Tradespersons To Tasmania
8. WHS Reform
9. Local Government Reform
10. Centralisation/Co-Ordination Of Government Procurement

1

Northern Suburbs Growth Corridor

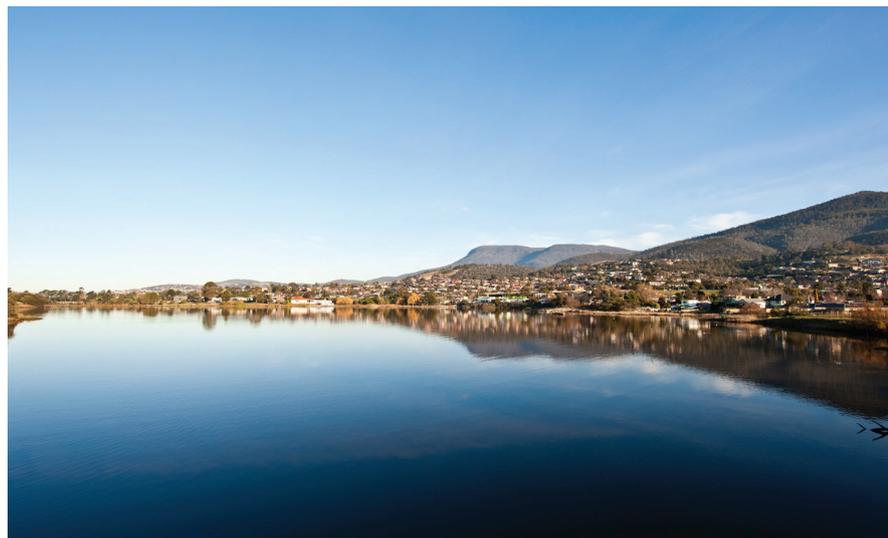
MBT believes that Hobart's ad hoc expansion needs to be reviewed. The Association believes that there is currently a unique opportunity to master plan a Northern Suburbs Growth Corridor for the city.

Such a corridor could provide an integrated approach to urban growth incorporating all forms of transport, housing, community services, infrastructure as well as meeting a range of other needs. Such a plan would also incorporate a future light rail corridor for development at an appropriate future point in time.

The growth of the corridor would be managed so that it is undertaken in a structured way over a number of decades and would hopefully absorb at least 50% of Hobart's population increase, thereby stemming urban growth at the boundary and alleviating all of the ills associated with an expanded greater Hobart footprint.

The growth corridor master plan has the ability to tie in a number of unrelated but important developments such as the renewal of Macquarie Point, the University of Tasmania expansion into the CBD and the effects of an overall increase in tourism numbers on the city.

For it to work effectively it would also tie in with Southern Land Use Strategy and state planning policies. MBT believes that a greater Hobart vision is what is required and that a Northern Suburbs Growth Corridor is the way to deliver it.



2

Focus on the Economy

MBT believes that it is important for State Governments to have a clear pathway to economic growth and that the current budget surpluses need to be maintained except in extraordinary circumstances.

Government should continue with the elimination of waste and inefficiency in public spending and reformation of the tax system to create a more business-friendly environment that restores investor confidence.

The taxation system must reward entrepreneurship and reduce compliance costs for business, especially small business.

MBT considers that, ideally, all political parties should agree to a binding medium to a long-term target which would set a ceiling for maximum wages and associated recurrent costs for the public service as a proportion of the total state budget.

This figure should be averaged out over an economic cycle and deflated appropriately so that it takes into account good periods of economic activity as well as poor ones.

This would create a scenario whereby the size of the public sector wages (and associated costs) becomes a target amount which can be measured as a proportion of the average state budget over a period.



3

Affordable Housing

This topic is core to much of the advocacy that MBT undertakes. Any reforms or changes that unnecessarily add to housing unaffordability should be opposed unless there is good reason for them. This especially applies where there is not a rigorous Regulatory Impact Statement (RIS) associated with the proposed changes.

Housing affordability has, in recent times, become a misnomer; the reality is that construction costs have escalated at approximately the same rate as CPI with land prices and compliance costs predominantly contributing to the current state of unaffordability in the Tasmanian housing market.

Unless compliance matters, land supply and development costs are addressed, the dream of housing ownership will continue to slip away from Tasmanians on median incomes. More worryingly, rental affordability is also becoming a greater issue with many Tasmanians on a lower income unable to secure decent, affordable rental properties.

Addressing supply and cost issues in the new homes market is the only way to address affordability and access in the housing market.

4

Buy Locally Policy - Major Projects

MBT believes there is an opportunity for Government and important players such as the University of Tasmania to maximize local content as much as possible by implementing buy locally procurement policies on all their upcoming building projects.

This could simply be achieved by requiring all tenders to have a weighting for local employment content, which should assist Tasmanian based builders, suppliers and subcontractors in winning work.

The policy may also require packages to be reduced in size down to more manageable parcels that the local industry can manage.

The Association has recently signed a Memorandum of Understanding with the Australian Institute of Architects which encourages the parties to promote local procurement to their respective memberships.

5

Apprentice Reform

Apprentice training in Tasmania is determined nationally and is continually adjusted to suit the larger mainland states and their need for “skill sets” rather than the attainment of an overall “rounded” apprentice. As an example, a raft of changes over a number of years has resulted in the number of units in the Cert III in Carpentry being dramatically reduced. This has affected the quality of training and outcomes that Tasmanian apprentices and their employers receive.

MBT believes that all options relating to apprentice training need to be considered as part of a root and branch review. The changes that should be considered include:

- Improving/tweaking the existing apprentice system
- Radically overhauling the existing system but still containing the essence of apprenticeships
- A brand new system of training for the trades
- The ideal level of off-site training
- Looking at the level of involvement by Government – i.e. The Award System, New Apprenticeship Centres, TTAC, TasTAFE etc.

MBT believes that if after a review is undertaken a radical overhaul is required, the current outdated IR system should also be considered as part of that review.



6

Implementing Planning and Building Reform

Building Act 2016 Framework

Master Builders Tasmania has prioritised, and will continue to do so, the implementation of the new building legislative framework to reinforce the positive outcomes for the industry from these changes.

MBT continues to liaise with The Department of Justice (Consumer, Building and Occupational Services), local government and building surveyors to ensure a smooth transition to the new Act.

MBT has maintained regular dialogue with the Director of Building Control throughout the implementation stages of the framework and will do what it can to ensure that the system is the best that it possibly can be.

Single Statewide Planning Reforms

MBT believes that the advantages of a Single Statewide Planning Scheme will extend past the direct property, building and construction sectors.

Planners, councils and the broader community will all benefit as common interpretations and approaches develop over time and costs for maintaining and updating individual Schemes fall dramatically.

The Tasmanian Planning Scheme consists of State Planning Provisions and Local Provisions Schedules. Master Builders Tasmania will continue to push for the timely and appropriate introduction of the Local Provisions Schedules.

MBT will continue to work through the Planning Taskforce and individually with key stakeholders to assist the progression and implementation of the Statewide Planning Scheme.



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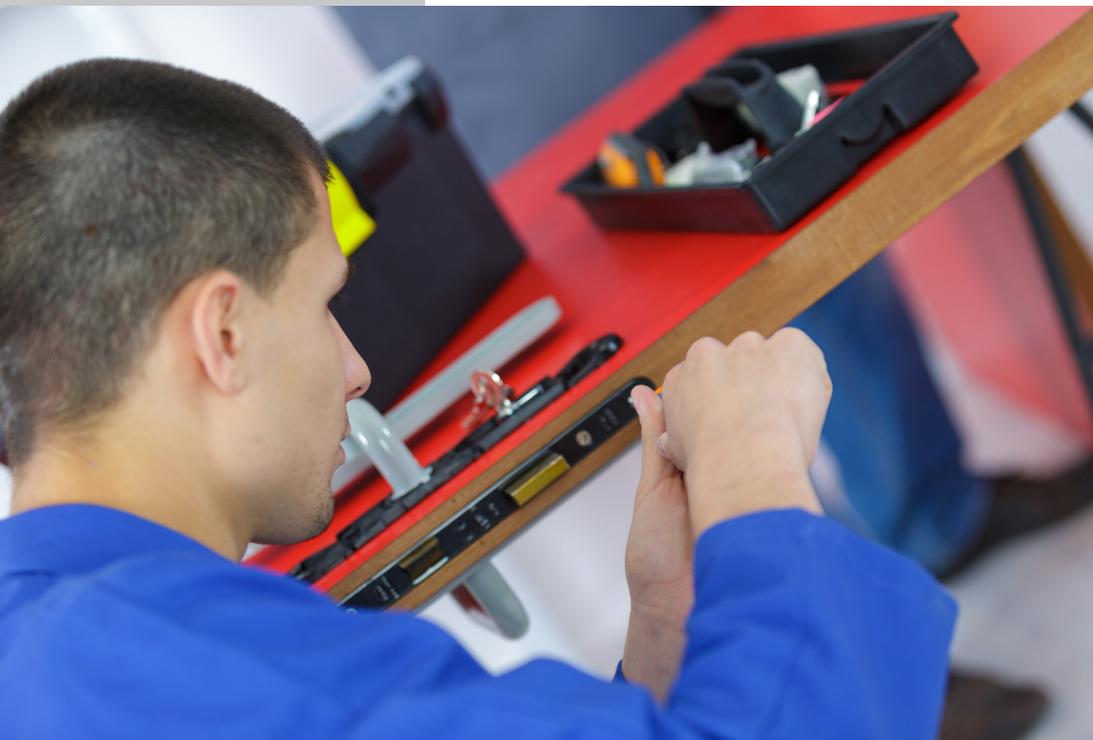
Attracting Skilled Tradespersons to Tasmania

MBT believes that an active campaign to encourage qualified tradespersons to the state is needed. Skills shortages across most trades are in existence and will only get worse over the short to medium term.

While the recent apprentice employment initiatives will have some effect, a two pronged approach to the state's current skills shortage needs to be seriously considered.

Such a program would have a dual benefit of increasing Tasmania's population as well as responding to the urgent need for skilled tradespersons. The building and construction industry has an ageing workforce and this needs to be addressed by both Government and the industry.

A targeted social media campaign may provide all the impetus that is needed to recruit valuable tradespeople from interstate and help meet the industry shortage.



8

WHS Reform

The current WHS system is overly complex and highly administrative in its nature. Master Builders Tasmania sees the refinement of the current WHS laws this as one of its highest priorities moving forward.

MBT believes:

- WHS Laws are complex, burdensome and from an industry perspective, difficult to apply and administer
- The application of certain documentation (e.g. SWMS) does not necessarily help actively assist or enhance safety on building and construction sites
- Compliance costs are much higher than ever envisaged in the Regulation Impact Statement (RIS), casting doubt on the validity of the reforms
- Feedback from MBT members (of all sizes) is that the WHS regime's increase in compliance costs does not seem to have been offset by an improvement in WHS practices

Compliance with 20+ Codes of Practice in addition to hundreds of pages of Regulations and Acts is onerous and not conducive to meeting the objectives of the WHS Act 2012, being:

- Reduce compliance costs for business
- Improve efficiency for regulatory agencies
- Improve safety outcomes
- Specific WHS Issues which need addressing are:
 - Application of Safe Work Method Statements (SWMS)
 - Fall Protection
 - Site Fencing
 - Treatment of Roof Battens on residential roofs
 - Safety Management Plans (SMP's)
 - High Risk Training
 - Duplication of Roles

The building and construction industry is one of the most intensely regulated industries. Over-regulation and red and green tape is a heavy burden which saps the entrepreneurial efforts of all building industry participants. Unnecessarily complex WHS laws stop the industry from becoming more productive and driving overall economic growth and job creation.

9

Local Government Reform

MBT has consistently maintained that 29 councils serving just over half a million people is not a long-term economically viable proposition. It believes that some type of rationalisation is not only prudent, but that it is necessary.

Ideally this reform would be driven by local government internally and not forced upon them. The current status quo is not only unsustainable; it is unfair on all ratepayers.



10

Centralisation/ Co-Ordination of Government Procurement

MBT believes that the experiment of allowing government agencies to procure their own building projects has not worked. Most agencies have little, if any experience in procurement and rely too heavily on consultants for advice.

The only agencies that are well resourced and have a reasonable knowledge of procurement processes appear to be Education, Health and DIER.

While the previous system, administered by the Public Works Tender Board, was slow and cumbersome it did have the advantages of providing a level of probity, surety and confidence to industry that has since been eroded.

The Board also retained a degree of corporate knowledge on procurement issues which is now lacking except for the above-mentioned three agencies.

MBT calls upon the Government to abandon the current de-centralised process and establish a new system which incorporates the benefits of having a Public Works Board equivalent with oversight and input into all procurement. Under the proposed model agencies could still procure their own tenders, however they would need to have the process approved and overseen by a central procurement agency.



About Master Builders Tasmania

Master Builders' Association of Tasmania Inc. (Master Builders Tasmania) was established in 1891. As a registered Union of Employers under state and federal laws the Association is able to provide for its members the advantages of unity of action.

The Association has thirteen (13) employees (plus 17 apprentices under its Group Training Organisation) and operates from offices in Hobart, Launceston and Devonport. Members include commercial builders, housing builders, sub-contractors, suppliers and professionals. The Association represents 95% of all commercially orientated builders. Around 40% of all residential construction undertaken by accredited builders in the State is undertaken by MBT members.

The Association provides a wide range of services for members covering industrial relations, contractual, legal, legislative, educational and technical matters. In addition, the Association is widely represented on many industry and Government bodies and provides ongoing assistance to both industry participants and members of the public on all matters related to the building and construction industry.

As part of our mission, the Association seeks to develop and maintain standards acceptable to the industry, government and clients, to further the interests of its members and the Tasmanian community.