

HAIRDRESSERS REGISTRATION (AMENDMENT AND EXPIRY) BILL 2010

Second Reading

MR T.R. BUSWELL (Vasse — Minister for Commerce) [4.39 pm]: I move —

That the bill be now read a second time.

The bill I am introducing today is the Hairdressers Registration (Amendment and Expiry) Bill 2010. The purpose of the bill is to remove the requirement for hairdressers to be registered, to wind up the Hairdressers Registration Board, and subsequently to repeal the Hairdressers Registration Act 1946. At a broad level, this bill is about reducing red tape, addressing skills shortages and assisting the mobility of labour within Western Australia and throughout the rest of the country. The outcomes of this bill are therefore consistent with Council of Australian Governments and Productivity Commission reforms. The bill is also consistent with the government's pledge to review and rationalise the number of boards and committees that exist in Western Australia. The bill demonstrates the government's commitments to reforming the public sector.

This bill is a culmination of reviews of the hairdressing industry at both state and national levels. From a national perspective, the level of complaint about hairdressing services appears to be low—despite the differing approaches that the various states of Australia have taken to regulate this area. Victoria and Tasmania used to license hairdressers but have since dropped this requirement, while South Australia and New South Wales indirectly regulate the hairdressing occupation. In Western Australia, registration by hairdressers is not required in all parts of the state.

Despite the low levels of complaint, prospective hairdressers face legislative barriers to entering sections of the Western Australian market. It is important to note that while these legislative barriers exist, the occupation of "hairdresser" is included in a list of "Western Australian Occupations in Demand", as published by the State Migration Centre located within the Small Business Development Corporation.

The Western Australian scheme of regulating hairdressing was the subject of a position paper titled "Regulation of the Hairdressing Industry in Western Australia". This paper was released in July 2006 and served as the basis for public consultation. This paper contained a number of proposals to deal with the industry, including repeal of the act. The review of the hairdressing industry in WA found that the existing laws were outdated.

Hairdressers who initially qualify to be registered are also not subject to any periodic assessment of their skills, once registered.

The level of regulation of any industry is always a difficult balancing act between allowing the market to regulate behaviour and to protecting consumers against market failure.

Hairdressing is a service that most consumers purchase on a regular basis. The quality of the service is relatively easy to assess, particularly when compared with services in the medical or legal area. In addition, the financial risk of dealing with hairdressers is relatively low in comparison to other registered or licensed occupations.

The hairdressing industry is a competitive industry and the market will reward hairdressers who meet the needs of their customers. However, the government does not believe it should rely solely on the market to ensure sufficient safeguards are in place when hairdressing services are provided. In formulating this bill, the government recognises that significant laws relating to consumer protection, health and safety and training have been enacted since commencement of the Hairdressers Registration Act in 1946. These laws offer far stronger protection for consumers and a greater range of penalties for unsafe and unsatisfactory hairdressing than does the Hairdressers Registration Act.

In considering safeguards, an issue that is often mentioned in relation to this industry is the handling of chemicals. As is currently the case, consumers are protected under laws such as the Fair Trading Act and the Consumer Affairs Act. In addition, the Occupational Safety and Health Act deals with chemical handling procedures and the tracking of serious workplace injuries, whether it be to the employer, employee or a hairdressing client. These laws contain a range of compliance tools to prevent, and, if necessary, appropriately deal with issues that might arise in this industry from time to time. As part of the implementation of this reform, the Department of Commerce will be increasing its monitoring and enforcement of fair trading and occupational safety and health legislation with respect to the hairdressing industry.

I would now like to turn my attention to the issue of training. Apprenticeship data obtained in considering the proposal indicated that the uptake in completion of apprenticeships was not adversely affected in jurisdictions where hairdressing is not regulated. Laws will continue to be in place dealing with hairdressing apprenticeships.

I will now briefly outline the key features of the bill. When the amendments in the bill commence, the registration scheme for hairdressers ceases and it will no longer be an offence to practice hairdressing without

being registered. In addition, an administrator will be able to be appointed to step into the shoes of the Hairdressers Registration Board to oversee its winding up. The administrator is able to employ staff to assist in the task of winding up of the board. Winding up of the board will involve consideration and observance of relevant laws in finalising the board's accounts; negotiating any redundancies or redeployment of board staff; and ensuring the retention of necessary records so that they can be appropriately archived. While the board is being wound up the administrator will be obliged to maintain audited accounts and will be subject to a final reporting requirement. The minister must table the final report, which includes financial statements and an auditor's report, in Parliament or to the Clerk of the House. The administrator will be appointed by the director general of the Department of Commerce. Any assets remaining from the winding up of the board that are not sold will be transferred to the Department of Commerce, while any surplus funds, which are not expected to be significant, will be credited to consolidated revenue. Once the minister is satisfied the board has been wound up, a notice to repeal the Hairdressers Registration Act must be published in the *Government Gazette*.

This bill is about reducing red tape for business and improving the mobility of labour to assist in addressing skills shortages in this industry. While this bill involves removing the requirement for hairdressers to be registered, it is important to remember that many protections remain in place.

I commend the bill to the house.

Debate adjourned, on motion by **Mr D.A. Templeman**.