



# Building Cleaning, Pest Control and Other Support Services 2020

## Industry Developments and Workforce Challenges<sup>1</sup>

**Demand.** Property services is a fast growing industry.<sup>2</sup> Latest national figures project a 7 % employment growth in the building cleaning, pest control and other support services sub-sector over the next 5 years to 2024.<sup>3</sup> Across the same period, significant growth is anticipated in cleaners and laundry workers (4.1%), commercial cleaners (3.4%), domestic cleaners (6.6%), housekeepers (7.3%) and laundry workers (6.8%).<sup>4</sup> According to IBISWorld revenue from commercial cleaning services has grown due to rising demand from businesses and households over the past 5 years, nationally, anticipating a further rise at an annualised rate of 3% over the five years through 2019-2020 to \$12.8 billion.<sup>5</sup> Building cleaning services predominantly comprise of small operators<sup>6</sup> with growth in the domestic sector dependant on disposable income of working households. The Building Pest Control services industry has also maintained a moderate growth of 2.6% over the past 5 years and this is projected to continue. Further demand from commercial, industrial and government sectors, and continued growth in the number of households, are anticipated to drive industry growth over the period.<sup>7</sup>

**Cost Pressures.** The cleaning industry operates in a highly competitive, labour intensive market with high employment costs and small profit margins reduced by discerning clients. Changes to the Cleaning Services Award have placed significant pressure on employers faced with a 2.5% increase in labour costs, already struggling to remain competitive while keeping costs down and maintaining high levels of service. Declining revenue and increased cost of labour have seen a reduction in staffing levels. In an effort to reduce costs, companies are streamlining operations, optimising processes<sup>8</sup> and increasing worker productivity. Price-based competition is likely to remain high, due to a steady supply of labour and the ease of entry for new players, including individuals and small franchisees. The need for large firms to retain existing contracts and win new ones is likely to put downward pressure on industry pricing.<sup>9</sup>

**Green Cleaning.** Aligned with a focus on renewable energy and green buildings, discerning clients are seeking more environmentally responsible cleaning solutions and opting towards safer, greener cleaners.<sup>10</sup> There is a move towards eco-friendly products and equipment to reduce industry's environmental impact and benefiting health.

**Technology.** Although some time away for these industry sectors, as technology (such as Building Information Modelling) matures it will become the enabler of a virtual representation of the built environment, connecting and integrating all services provided to and for a property throughout its

<sup>1</sup> Parts of the report are consistent with the 2019 submission.

<sup>2</sup> Artibus Innovation, [Property Services IRC Skills Forecast and Proposed Schedule of Work](#), 12 March 2019.

<sup>3</sup> Australian Government, Department of Jobs and Small Business, Labour Market Information Portal, Employment Projections, [Industry projections five years to May 2024](#).

<sup>4</sup> Australian Government, Department of Jobs and Small Business, Labour Market Information Portal, Employment Projections, [Occupation projections five years to May 2024](#).

<sup>5</sup> IBISWorld, *Commercial Cleaning Services* - [Australia Market Research Report](#), accessed April 2020.

<sup>6</sup> Artibus Innovation, [Property Services IRC Skills Forecast and Proposed Schedule of Work](#), 12 March 2019.

<sup>7</sup> IBISWorld, *Building Pest Control Services* - [Australia Market Research Report](#), accessed April 2020.

<sup>8</sup> Hubstaff, [6 of the Most Innovative Approaches in the Cleaning Industry to Watch For](#), October 2019.

<sup>9</sup> IBISWorld, *Commercial Cleaning Services* - [Australia Market Research Report](#), accessed April 2020.

<sup>10</sup> Services Magazine, [Industry Trends and Projections](#).



lifecycle. Meanwhile, emerging technologies and the automation of business processes can create efficiencies and reduce overall operating costs. Software tools have the capability to generate reports and metrics to inform profitability and margins, and assist businesses to operate more strategically.<sup>11</sup> Similarly, the Internet of Things (IoT) continues to support the commercial cleaning industry, collecting data to improve business intelligence from connected cleaning and maintenance equipment to IoT enabled devices.<sup>12</sup> Overseas companies are investing in smart cleaning devices such as autonomous floor cleaning robots for commercial operations to reduce employment costs.<sup>13</sup> Reportedly, these technological changes are fundamentally altering the way business owners manage their companies and how employees conduct their work.<sup>14</sup> Benefits span the supply chain from social media marketing and administration processes to purchasing, time management and inventory, critical to sustainability and competitiveness. While user friendly websites can showcase a business, social media platforms, on-line and mobile friendly systems improve client connectivity, communication and ease of access. A digital presence responds to changing customer expectations<sup>15</sup> including online scheduling, automated quotes and booking features. In the pest management industry online reporting and use of smart devices are being integrated into business activity.

**Marketing.** With many small companies vying for contracts, the competitive environment requires more than quality service delivery. Organisations need to stay connected with their clients in order to maintain communication and be responsive to their needs. Social networking and social media marketing are effective ways to promote and differentiate a business, inform clients and connect to new growth opportunities. Service providers need to foster interactive relationships with existing clients and utilise breadth of communication platforms to market themselves.<sup>16</sup>

**Training.** While the cleaning industry is generally not seen to engage in training, there has been a substantial increase in enrolments in cleaning qualifications in recent years, with a 34% increase in Certificate II, III and IV enrolments between 2015 and 2018.<sup>17</sup> These enrolments are typically from staff of larger employers offering commercial or specialist services and industry sub-sectors such as secure cleaning and medical contracts. The sector is a large employer of people from non-English speaking backgrounds with entry level skills and tends to be characterised by limited training, particularly in domestic service delivery, with some targeted micro-skilling and equipment-based training. Training in the Pest Management sector is widely used due to licensing requirements imposed by the WA Department of Health as the licensing regulator with industry utilising both institutional and traineeship pathways.

**Language Barriers.** Largely, the cleaning industry attracts a migrant workforce, commonly with limited English language skills. While issues associated with poor communication skills are largely averted in after-hour work arrangements due to limited likelihood of interaction with clients and customers, these become prevalent in areas frequented by the public, such as shopping centres, when English proficiency is essential.

**Staff Retention.** These industries are traditionally seen as a stop gap and attract a very transient workforce. To improve staff retention it is imperative industry has a long term career path, provides flexible work arrangements and adequate remuneration to sustain financial commitments. This will help attract people into the industry that want to stay and develop skills while embracing new training that is available.

**Regulatory Requirements.** The pest management industry is heavily regulated by the Department of Health, Pesticide Safety who not only stipulate the training requirements of those working in the industry but also the training providers able to deliver the training. Some of these requirements are currently being reassessed following the release of the Certificate III in the Urban Pest Management. Units within the Certificate III have been updated to reflect core urban pest management competencies with more optional or specialised units included as electives. A number of units have been upgraded from level

<sup>11</sup> Jobber Academy, [7 Business Trends for Residential Cleaners in 2019](#).

<sup>12</sup> ThingLogix, [IoT is Transforming the Commercial Cleaning Industry](#),

<sup>13</sup> Foremost, [5 cleaning industry trends for 2019](#).

<sup>14</sup> Hubstaff, [6 of the Most Innovative Approaches in the Cleaning Industry to Watch For](#), October 2019.

<sup>15</sup> Jabber Academy, [The Top 11 Home Service Business Trends, Predictions, and Statistics for 2018](#).

<sup>16</sup> Services Magazine, [Industry Trends and Projections](#).

<sup>17</sup> Artibus Innovation, [Project. Cleaning](#) accessed April 2020



AQF 3 to AQF 4 and incorporated into a new Certificate IV in Urban Pest Management. The new qualification includes new units which focus on requirements for pest management in food, beverage or pharmaceutical manufacturing and handling sites which had been identified as a gap.<sup>18</sup>

**Ageing Workforce.** The pest management industry is one that attracts new entrants later in life, often those looking for a change of career or a more flexible job role. As those currently in the workforce retire, the attraction of younger, long term entrants to the industry is essential to ensure supply is able to keep up with the expected growth in demand in the ensuing years.

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## Industry Workforce Priorities

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**Licensing Requirements** As licensing regulator, WA Department of Health (DOH) currently requires applicants for a provisional technician's license to be 'adequately qualified' before that applicant can apply a pesticide in a public space, a residential or commercial building. The unit *CPPPMT3006 'Manage pests by applying pesticides'* currently provides the basic training to satisfy this regulatory requirement. Following the release of the new Certificate III in Urban Pest Management this unit was superseded with an equivalent unit *CPPUPM3006 Manage pests by applying pesticides*. The assessment requirements of this unit have changed and now require registered training organisation to assess the student's competency to safely apply pesticides in ten different residential and/or commercial premises (where previously it was three). DOH have advised this places the applicants, their employer and the training organisation in direct breach of the Health (Pesticides) Regulations 2011. DOH is currently liaising with stakeholders to find a solution to the problem that would allow the updated qualification to be utilised in WA, however given the qualification impacts several licenses and endorsements, this is proving difficult. DOH, with the support of the Training Council, industry and training providers, have made an application to extend the transition period for the old Certificate III in Urban Pest Management CPP30115 to both TAC and ASQA. ASQA have extended the transition period until 29 March 2021<sup>19</sup> while TAC have advised an extension until 29 September 2021.<sup>20</sup> This will allow training to continue to be delivered for licensing purposes while changes are made to requirements to allow the updated qualification to be compliant, as this will likely require changes to the Regulations which is a lengthy process.

**Risk Awareness and Safety.** Many workers employed in the cleaning industry come from non-English speaking backgrounds with low English proficiency. Effective communication with these workers is a key priority to ensure safety. The use of colour coded chemicals and safety information translated into different languages continues to be an effective way of maintaining staff safety. Similarly, the main infection disease control and public liability issues. As cleaners work in a diverse range of environments, employers need to provide adequate duty of care for their staff which can be achieved by maintaining current training that is site specific.

**Staffing.** Attraction of new workers to both the pest management and cleaning industries remains difficult due to remuneration and employment conditions, job stability, availability of full time hours and perceived lack of career progression. Promoting the positives of each industry, such as flexible hours, autonomous job roles and potential business ownership, is essential to attracting people into the sector and have them recognise long term career viability. Artibus Innovation is looking to develop a new Certificate II in Property Pathways to attract and support new entrants, particularly secondary school students, to the property industry by providing a streamed training pathway to its sub-sectors and enhance articulation into high level vocational qualifications.<sup>21</sup> This may have positive implications for both the cleaning and pest control sub-sectors if these articulate into employment outcomes.

**Skills Development.** As many individuals working in pest control and cleaning services run their own micro or small business, small business management skills are critical for business longevity. These skills are essential for the continued growth of these sectors as they support businesses to remain viable in a highly competitive market. Skills to be able to implement and navigate automation processes

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<sup>18</sup> Artibus Innovation, [Project: Urban Pest Management](#), documents listed on website viewed on 26 June 2019.

<sup>19</sup> ASQA – [List extended transition period for further qualifications due to COVID-19 pandemic](#)

<sup>20</sup> TAC – [Approved extended transition periods](#)

<sup>21</sup> Artibus Innovation, [Property Services IRC Skills Forecast and Proposed Schedule of Work](#), 12 March 2019.



will require business owners to have a working understanding of software application. Self-managed websites, use of social media platforms for marketing purposes and the integration of smart devices into work processes rely on computer literacy capability and need to be developed. Communication and customer service skills continue to be important in settings where services are being delivered domestically or in populated areas, requiring client interaction. As staff move from general cleaning positions to supervisory or leadership roles the skills they require change. To ensure those taking on more responsibility are appropriately skilled and working efficiently, industry will have to prioritise training in people to address time management, productivity rates, planning, budgeting and cultural diversity. Although limited in response rate, Artibus' skills forecast survey of property services providers have identified adaptability, work ethic, business management, empathy, entrepreneurship and LLN as the highest ranked skills for broader industry.<sup>22</sup>

**Training Package Changes** Artibus Innovation proposed a review of the Cleaning qualifications in their Property Services IRC's forthcoming 2020 Skills Forecast. Keen to ensure the qualifications meet the needs of workers, employers and the wider community, a number of recent industry changes and issues will be taken into account during the review, including performance-based contract, integrated digital delivery, human and environmental health, infection control, mould, disaster cleaning and robotic cleaning.<sup>23</sup> Artibus Innovation also proposed the development of a new Certificate II in Property Pathways to address the gap in a clear, school-based pathway into the sector. This proposal is seen as a positive for the Pest Management industry as it would provide a pathway into further training with the Certificate III.<sup>24</sup>

**Industry Response to COVID-19** During the COVID-19 pandemic, cleaning services become increasingly important to public, commercial, and domestic areas alike. As the crisis hit, key industry associations and stakeholders have acted quickly to offer support and guidance to employers and workers. Guidelines and fact sheets on how to utilise effective cleaning principles to deal with COVID-19 were released to industry from several sources including the Australian Government<sup>25</sup> and private enterprises such as HPC Solutions<sup>26</sup>, these are being circulated and promoted to industry via the Cleaning Council of WA. In addition to this, and in response to an inundation of requests of members, the Cleaning Council created a tailored online training course on Clinical Cleaning (Infectious Cleaning) designed to ensure employers are adopting appropriate methods to deal with the pandemic and ensure their own safety. Implementing these specialised practised takes significantly more time than standard cleaning and as such, some employers are noting a soar in business, some of up to 60%<sup>27</sup>. At a time when many workers were losing their jobs due to government restrictions, this increased workload sees many employers in the cleaning industry able to not only ensure job security for their existing staff but also increase their workforce with significant recruitment of new employees. Unfortunately these increases in demand are not reflected across all sub-sectors in the industry. The Cleaning Council has noted businesses specialising in officer towers are reporting up to an 80% drop in work requests as businesses shut which will result in job losses of 50-60% in these companies.<sup>28</sup> The Australian Environmental Pest Managers Association advised they have representation to State, Territory and Federal Jurisdictions to allow pest control to continue as an essential service during restrictions. Although to date they have not received clarification on this matter, as there is currently no formal process for awarding essential status and there is no restriction on pest control operations in Australia.<sup>29</sup>

<sup>22</sup> Artibus Innovation, [Property Services IRC Skills Forecast and Proposed Schedule of Work](#), 12 March 2019

<sup>23</sup> Artibus Innovation, [Project, Cleaning](#) accessed April 2020

<sup>24</sup> Artibus Innovation, [Property Services IRC Skills Forecast and Proposed Schedule of Work](#), 12 March 2019

<sup>25</sup> Australian Government, Department of Health - [Environmental cleaning and disinfection principles for COVID-19](#)

<sup>26</sup> HPC Solutions – [Cleaning Well for Health](#)

<sup>27</sup> The West Australian – Hygiene Demand Suits Cleaning Services, Thursday March 26 2020

<sup>28</sup> The Cleaning Council WA email, received 6 April 2020

<sup>29</sup> Australian Environmental Pest Managers Association, [Newsletter April 2020](#)