

3.1 National licensing and enhanced labour mobility

Background

Debate centred upon national licensing is not a new phenomenon. Attempts to enhance mutual recognition of licensing arrangements date back to the creation of the *Mutual Recognition Act 1992*, designed to increase labour mobility across state jurisdictions for individuals. However, this Act excludes business licensing arrangements.

The ability for businesses to operate freely across all Australia's states and territories is critical for the electrical contracting and communications industry. In July 2008, the Council of Australian Governments (COAG) agreed to pursue wide ranging regulatory reform and at its meeting of 3 July 2008:

"... acknowledged that Australia's overlapping and inconsistent regulations impede productivity growth. Without change Australia's future living standards would be compromised, the competitiveness of the economy reduced and our ability to meet the challenges posed by an ageing population diminished."

However, a subsequent agreement on a national licence system failed to materialise. This was in part due to a lack of inclusion of proper standards for safety and compliance, and the involvement of a wide range of industry sector and state regulator differences which rendered the process too complex and ineffective.

While individual state licensing agreements have not stopped electrical contracting firms from conducting operations across state and territory boundaries, it is clear that a lack of mutual recognition of cross-jurisdictional licenses has acted as a barrier to entry and is an unnecessary cost for businesses within our industry.

Current arrangements are particularly difficult for businesses operating across multiple jurisdictions. People working in border areas as a licensee must meet different non-skills requirements and pay a separate licence fee for, what is effectively, the equivalent licence in each jurisdiction.

Small and medium enterprises within the electrotechnology bear a significantly larger proportion of administrative costs for compliance across multiple licensing regimes. These costs are then passed on to the consumer.

Key issues and recommendations

National licensing – driver’s licence type model

NECA advocates for the introduction of a single national driver’s licence type model for implementation across the Australian electrical trade.

Under the driver’s licence model, an occupational license issued by any jurisdiction would be recognised across each state and territory in Australia. State and territory regulators would continue to maintain individual licensing arrangements.

This low-cost model would increase labour flexibility and mobility, and reduce some of the compliance and regulatory burdens of current arrangements while removing the need for multiple license registrations, renewals and additional license fees. This model also avoids the complexities of introducing and managing a fully harmonised, nationally co-ordinated approach.

R1: NECA supports the creation of a single national licencing scheme for both electricians and electrical contractors. However, its implementation must not dilute safety standards, technical expertise or adequate insurance requirements.

Lack of recognition for cross-state and group licenses

On 13 December 2013 COAG agreed to discontinue plans for the National Occupational Licensing system for electrical workers and instead develop reforms to improve labour mobility without the imposition of a top-down, nationally co-ordinated approach.

The New South Wales Government introduced legislation under the *Mutual Recognition (Automatic Licensed Occupations Recognition) Bill 2014* that allows the equivalent jurisdiction’s occupational licence to be recognised within New South Wales based upon the jurisdiction of the principle place of residence of the license holder.

The Western Australian EnergySafety and Electrical Licensing Board mutually recognises electrical workers’ licenses from other Australian jurisdictions where an equivalent license exists. EnergySafety also require that, to contract for electrical work, a current Electrical Contractors licence issued by EnergySafety Western Australia must be in place. An Electrical Contractors licence can only be obtained after attending and passing a training course approved by EnergySafety.

The Queensland Government recognises external jurisdiction licenses for the work of electricians, however, to contract for work in Queensland, a Queensland Electrical Contractor license must be obtained.

Simplification and alignment of training processes across all states and territories would deliver a more consistent approach to licensing across the country. Combined with enhanced mutual recognition, this would lead to greater competition and reduced costs for electrical contractors.

Where an overseas applicant presents to any state or territory jurisdiction with their Offshore Technical Skills Record (OTSR), NECA supports a system which has:

- » Consistency in the required Australian context gap training.
- » The requirement for an overseas license applicant to work under the supervision of a holder of a current full electrician's license for a period of twelve months.

NECA will continue to call upon the Federal Government to consider implementing a single national driver's license model that reduces red tape for electrical contractors and sustains our industry's requirements for strong and effective safety standards.

R2: NECA supports mutual recognition licensing reform across Australia and encourages all states and territories to continue discussions in order to adopt these reforms.

Industry opportunities

- » NECA calls upon all state and territory jurisdictions to fully support mutual license recognition for electrical contractors, including consistency in requirements for overseas license holder applicants.
- » We continue to call upon the Federal Government to consider the implementation of a single, national driver's license model that reduces red tape for electrical contractors and sustains our industry's requirements for strong and effective safety standards.

