

Second Reading

The Hon. MICHAEL VEITCH (Parliamentary Secretary) [2.49 p.m.]: I move:

That this bill be now read a second time.

I seek leave to have my second reading speech incorporated in *Hansard*.

Leave granted.

I am pleased to introduce the Occupational Licensing (Adoption of National Law) Bill 2010. The bill adopts the Occupational Licensing National Law, as in force from time to time, set out in the schedule to the Occupational Licensing National Law Act 2010 of Victoria, as a law of New South Wales. The national law gives effect to the Intergovernmental Agreement for a National Licensing System for Specified Occupations signed by the Council of Australian Governments [COAG] on 30 April 2009. This national law is the first step in a major Council of Australian Governments national reform project aimed at achieving a seamless national economy.

The national law sets out the regulatory framework for the national licensing system—a system that will see workers in licensed occupations all over Australia operating under one scheme that enables them to work in any State or Territory under the same set of rules.

The Council of Australian Governments recognised that Australia's overlapping and inconsistent regulations impede productivity growth and, consequently, committed to moving towards a seamless national economy through the reform of business and other regulation.

These Council of Australian Governments reforms will make it easier for businesses and workers to operate across State and Territory borders, while continuing to provide the necessary protections for consumers and the community.

The Council of Australian Governments agreed that initially the scheme will apply to seven economically important occupational areas.

These are air-conditioning and refrigeration, building and building-related occupations, maritime, land transport, electrical, plumbing and gasfitting, and property-related occupations.

The bill before the house deals with the first wave of occupations comprising air conditioning and refrigeration, electrical, plumbing and gasfitting, and some property-related occupations. It is envisaged that other occupations will follow in the future.

COAG agreed that the national system will be implemented through cooperative national legislation without involving a referral of powers to the Commonwealth Government. This agreement provides for the national system to commence with a delegated agency model.

The National Occupational Licensing Authority will develop licence policy on advice from advisory committees representing various occupations, but delegate the operation of licensing services to the States and Territories.

States and Territories will also retain responsibility for regulating licensee conduct. Under the national scheme, businesses and workers with a licence issued by the national authority will be able to operate across Australia without the need to hold multiple licences. Effectively, this will reduce unnecessary red tape, provide a standard qualification requirement, require payment of only one licence fee and, most importantly, facilitate a much more mobile workforce.

For the first time, licensees will be able to move across Australia, going wherever the work is, under one consistent set of rules, without the burden of applying for multiple licences. This is a particularly significant issue for individuals and companies trading in border towns.

Recently I was advised of an air conditioning company located in Banora Point which, like most businesses in that area, trades on both sides of the Queensland-New South Wales border. This business pays \$865 for a three-year licence in New South Wales and an additional \$635 each year for a licence in Queensland. The introduction of the national occupational licensing system will immediately save this business \$635 every year. These savings are in addition to the red tape reduction arising from no longer being required to submit a licence renewal in Queensland every year.

Every border town in Australia will enjoy this improvement. In addition to a reduction in the payment of duplicate fees and processing red tape, the national law provides also for national consistency in licensing policy and disciplinary arrangements for licensees, while still providing a sufficient amount of flexibility for issues specific to particular jurisdictions or occupations.

This new legislation will also facilitate a consistent skills and knowledge base for licensed occupations.

A prime objective of the national system is to ensure that licensing arrangements are effective and proportionate to ensure consumer protection as well as worker and public health and safety while also improving economic efficiency and equity of access. The national law reflects the guiding principles of transparency, accountability and, of course, efficiency.

The public will also be provided with easy access to information about licensees through the establishment of a national register, enabling consumers to confirm that an individual or business is appropriately licensed.

Governance arrangements for the national system are set out in the national law. Responsibility for the effective implementation and operation of the national system resides with a ministerial council comprising a Commonwealth Minister and Ministers of each State and Territory.

During the implementation phase of the national system, this responsibility rests with the Ministerial Council for Federal Financial Relations. The National Occupational Licensing Authority, which is governed by a board appointed by the ministerial council, is established by the national law to administer the system and make policy recommendations to the ministerial council.

The licensing authority will be supported in its policy role by occupational licensing advisory committees established under the national law for the purpose of providing advice to the licensing authority on licensing policy for the regulated occupations.

On 1 July 2012, the first wave of occupations comprising air conditioning and refrigeration, electrical, plumbing and gasfitting and some property-related occupations will commence under the national system. The remaining occupations, such as building and building related, other property-related occupations, maritime and land transport, will commence after 1 July 2013.

This staged approach is necessary to provide adequate time for the development of licence policy for each occupational area and transitioning to the national system, including the establishment of the licensing authority.

The New South Wales Government is committed to the implementation of the new system and has offered to host the licensing authority in Sydney. New South Wales has also played a significant role in the work to develop the scheme, including the secondment of an expert, full-time officer to the National Licensing Taskforce that has day-to-day responsibility for management of the project.

The purpose of the bill is the adoption of the National Occupational Licensing Law in New South Wales. This provides a single mechanism for updating the national law and for ensuring that consistency of the law across jurisdictions is maintained.

The bill also excludes the operation of certain New South Wales Acts from the operation of the national law. In particular, the bill excludes the operation of the Annual Reports (Statutory Bodies) Act 1984, the Public Finance and Audit Act 1983, the Public Sector Employment and Management Act 2002 and the Subordinate Legislation Act 1989. The administrative and reporting matters dealt with by these New South Wales Acts have been replaced with appropriate national mechanisms within the national law for the operation of the National Occupational Licensing Authority. The application of a number of other New South Wales Acts has been limited so that they continue to apply to New South Wales licensing agencies when they are acting in their capacity as delegates of the licensing authority, but do not apply to the licensing authority itself.

The New South Wales Acts, by being limited in this way, cover a number of privacy, information and interpretation issues. An appropriate national approach to these issues has been included in the national law for application to the licensing authority. The bill also specifies that reviews and appeals of licensing decisions under the national law will continue to be made to the Administrative Decisions Tribunal of New South Wales and applications for injunctions against traders operating in contravention of the national law will also continue to be made to the New South Wales Supreme Court. The bill also declares that the disciplinary scheme for the first-wave occupations will be the administrative show cause process that is currently used in New South Wales, rather than the alternative court-based option included in the national law. This continues the existing and effective disciplinary process for those members of these occupational groups who fail to meet their responsibilities under the licensing regime.

The development of the national law has been underpinned by a comprehensive consultation program involving relevant stakeholders in several rounds of consultation meetings around the country, as well as opportunities for direct comment on proposals through submissions and input into advisory processes.

The new scheme has received strong support from industry and consumer groups alike. I am delighted to join my counterparts in other jurisdictions in introducing this significant law. It is a major step in the implementation of a truly national system for the regulation of a broad range of occupations within this country.

I commend the bill to the House.