

Tabled, by leave, Mr Mookhey

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Clerk of the Parliaments

12/02/2025

TAB 09

AUTOMATIC MUTUAL RECOGNITION LEGISLATION AMENDMENT BILL 2024

STATEMENT OF PUBLIC INTEREST

Need: Why is the policy needed based on factual evidence and stakeholder input?

The *Automatic Mutual Recognition Legislation Amendment Bill 2024* (the **Bill**) introduces minor amendments to several Acts administered by the Minister for Better Regulation and Fair Trading.

These amendments are required to enable new occupations to join the Automatic Mutual Recognition (**AMR**) scheme, and to ensure the same consumer protection measures and regulatory enforcement powers apply to AMR practitioners as to NSW licence holders.

Objectives: What is the policy's objective couched in terms of the public interest?

There is a strong public interest in lower costs for individuals and businesses. The Bill will enable new occupations to enter the AMR scheme, providing workers with a quicker and easier entry pathway to work in NSW. This will also support consumers and businesses by allowing an expanded workforce and range of services available in key industries.

It is in the public interest to ensure NSW legislation provides adequate protection to consumers when engaging with traders across key industries including real estate, conveyancing and automotive industries. The Bill allows NSW regulators to calculate and collect compensation fund contributions from AMR operators as it is a public protection requirement that workers must meet to be eligible to work in NSW.

There is a strong public interest in ensuring NSW legislation provides adequate powers for regulators to set out and enforce compliance activity as required. Interstate workers under AMR are held to the same standards as NSW licensees, meaning consumers have the same rights and protections. The Bill reinforces that the NSW laws addressed in these amendments apply to interstate operators for work conducted in NSW, including local compliance and regulatory powers.

Options: What alternative policies and mechanisms were considered in advance of the Bill?

The issues addressed by the amendments and the targeted outcomes in the Bill can only be achieved through legislative amendment. Without this comprehensive Bill for the purpose of achieving these amendments, it is likely that the Parliament would otherwise have to dedicate significant time and resources to considering a high number of separate amending bills.

Analysis: What were the pros/cons and benefits/costs of each option considered?

The main alternative considered to making the Bill was the 'do nothing' option. If the amendments were not made, then key industries would continue to require exemptions from the AMR scheme via legislative instrument. This would remove the benefits of AMR for these industries and create administrative burden for both the NSW Government and Commonwealth Government to draft and enact these exemptions on an ongoing basis.

Another option was to make the amendments on an 'ad-hoc' basis over time. Some amendments could be progressed when more significant amendments are being made to each principal Act. This option would delay the entry of these occupations into AMR, along

with the associated benefits for these industries; there would also be a risk that some of the amendments in the Bill would never be made.

The consolidation of the amendments in one bill (the preferred option) is the most effective and efficient way to ensure that the NSW Parliament can consider the amendments without undue delay.

Pathway: What are the timetable and steps for the policy's rollout and who will administer it?

The Minister for Better Regulation and Fair Trading is responsible for administering the Acts being amended, with support from the Department of Customer Service. The Bill is to commence on proclamation.

NSW Fair Trading will inform stakeholders of the changes where relevant and implement any operational changes required.

The amendments and consequential regulation changes are expected to be in place before 1 July 2025 when the current AMR exemptions expire.

Consultation: Were the views of affected stakeholders sought and considered in making the policy?

NSW Fair Trading engaged with key stakeholders across the real estate and property, conveyancing, and automotive industries.

Stakeholders across the real estate and conveyancing industries raised concerns regarding the introduction of these occupations under the AMR scheme. These concerns focused on differences in qualifications and capabilities between NSW and interstate operators. The Bill does not remove AMR exemptions or directly introduce new occupations under AMR, but will support operation of the AMR scheme and facilitate compliance and enforcement action.