

Submission
No 9

INQUIRY INTO MUTUAL RECOGNITION (NEW SOUTH WALES) AMENDMENT BILL 2021

Organisation: National Electrical and Communications Association (NECA)
Date Received: 13 April 2021

The Hon Tara Moriarty MLC
Committee Chair
Portfolio Committee No. 1 – Premier and Finance
Upper House Committees
Legislative Council Parliament of NSW

Lodged electronically via email to portfoliocommittee1@parliament.nsw.gov.au

13 April 2021

Mutual Recognition (New South Wales) Amendment Bill 2021

The National Electrical and Communications Association (NECA) welcomes the opportunity to comment on the Mutual Recognition (New South Wales) Amendment Bill 2021.

NECA supports the policy drivers of the Australian Government Deregulation Taskforce and the NSW Government to introduce Automatic Mutual Recognition (AMR) to reduce costs and administrative burdens on electrical contractors and licenced electrical workers.

Eastern Australian states effectively operate a cross-border AMR scheme for fully licenced (unrestricted) electrical workers and we support the Government's endeavours to bring forward national reform that will benefit more businesses employing people across the industry.

NECA reinforces the concerns we have raised with the Australian Government in the draft exposure legislation exhibited in December 2020 by the Department of Prime Minister and Cabinet.

As it stands the Commonwealth's exposure legislation, a smooth and fee-free AMR would only be made possible if the electrical worker has completed a Certificate III in Electrotechnology – Electrician and holds an unrestricted (or equivalent) electrical licence.

NECA therefore seeks to inform the Upper House Committee of some unique structural and state-based regulatory functions that will require additional work by State Governments in partnership with the Commonwealth to align standards and enable AMR across the electrotechnology industry.

Industry and state regulators need clarity around the implementation process and future mechanisms for engagement to ensure continued broad support for the reforms.

Safety, supervision and compliance

States are primarily responsible for electrical safety regulation and determining supervision and compliance of works performed. Harmonising these regulations nationally will be a challenge.

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NECA notes that the draft legislation proposes to establish a national registry for workers proposing to work in another jurisdiction. While this might be one solution, NECA has some concern that the registry might not be kept up-to-date and NECA offers that a more practical solution might be to require electrical workers to sign-in with the local regulator or licencing board when performing works interstate. This would establish a communication channel for any state-specific rules or requirements that may be different to the rules in their home state, and could be satisfied by way of induction or short online test that would not incur a fee to the worker or their employer.

Restricted and sub-categories of electrical licences

Each state has different categories or sub-categories of licences covering workers performing limited electrical works. NECA, has consulted with its state branches and, believes it will be very difficult for the electrotechnology industry to reach a national consensus on harmonising these sub-categories of licences, and pursuing AMR for these sub-categories and in the short term may well alienate supporters of the reforms.

NECA does support further long-term discussions on how we could achieve better harmonisation of our restricted electrical licences, but that these discussions should not hold up the AMR process for unrestricted electrical licences.

Training and competency

All states require completion of a Certificate III in electrotechnology and the completion of a capstone test for those apprentices obtaining an unrestricted electrical licence. NECA notes however that there are inconsistencies between the states regarding the training and method for the competency testing for electrical workers transitioning from apprenticeship to electrical licences.

NECA would also like to point out that there are some differences between jurisdictions in the competency requirements around Continuous Professional Development (CPD) that would need to be resolved. NECA therefore advocates that further consultation between the states to reach agreement on the standards required to permit AMR.

Electrical contractor licences

While not included in these reforms, the Committee should be mindful of the requirement for a state-administered electrical contractor licence to perform electrical work for others as a sole trade, partnership or company. This is an additional regulatory mechanism designed to ensure electrotechnology businesses have suitable technical expertise and persons nominated as responsible for ensuring a business has appropriate indemnity and consumer protection insurances.

There are significant differences between the states in the requirements which must be met to obtain electrical contractor licences. NECA would encourage any attempt to harmonise



contractor licencing standards in the future to facilitate AMR would require extensive industry engagement and adopt the highest standard of entry, not the lowest.

Conclusion

NECA believes the current, high-level approach to legislative reform being pursued by Australian Government, which has flowed through to state to implement, leaves the electrotechnology industry open to occupational veto from AMR by one or more of the states.

We suggest fast-tracking a robust implementation framework, ideally through template regulation, to support the exposure legislation. This would need to be developed in partnership with state-based agencies, regulators and industry to work through the barriers to widespread AMR outlined in this submission. This would also provide an appropriate forum to debate the issues that will no doubt be raised by opponents of AMR.

Should you have any questions, or wish to discuss this submission further, please contact Peter McCabe, Director of Policy and Government Relations, at [redacted] or on [redacted].

Yours faithfully

Oliver Judd
Chief Executive Officer



About NECA

The National Electrical and Communications Association (NECA) is the peak body for Australia's electrical and communications sector, which employs 170,000 workers¹ and turns over more than \$23bn annually.² We represent almost 5,500 businesses performing works including the design, installation and maintenance of electrical and electronic equipment in the building, construction, mining, air conditioning, refrigeration, manufacturing, communications and renewables sectors.

NECA has advocated on behalf of the electrotechnology industry for over 100 years. We help members and our industry operate their businesses more effectively, and represent their interests to all levels of government, regulators and other bodies such as the Australian Chamber of Commerce and Industry (ACCI) and Standards Australia.

NECA members make an essential economic contribution – connecting businesses, homes and infrastructure – encouraging investment, improving reliability and energy security, and delivering affordable, environmentally sustainable outcomes. The safety and reputation of our industry is critical to all tradespeople, consumers, and the community.

NECA is integral to the next generation of electrical contractors. Through our Registered Training Organisations (RTOs) and Group Training Organisations (GTOs), we offer employment and skills development to some 4,800 apprentices nationally. Our success is clear: we proudly boast 90% completion rates across our courses, with roughly one in three licensed electrical workers starting their career as a NECA apprentice.

NECA helps attract entrants to our industry through holistic, high-quality, industry-relevant programs including our scholarship program, the NECA Foundation, and the Women in Electrical Trades Roadmap. We proactively seek diverse workforces, supporting female, indigenous and mature aged apprentices, and promoting career paths for school students and school leavers. We also operate the industry-wide NECA Annual Excellence Awards, which acknowledge and celebrate achievements and distinguished electrotechnology projects, and NECA's Apprentice Awards, recognising future leaders in our industry.

NECA continues to monitor and respond to the Coronavirus (COVID-19) crisis on behalf of our members and the electrotechnology sector, and is working with industry, government and the community to achieve a COVID-19 safe economy and swift national recovery.

¹ Australian Government 'Job Outlook'. (July 2020) (Telecommunications Trades Workers) <https://joboutlook.gov.au/Occupation?search=alpha&code=3424> and (Electricians) <https://joboutlook.gov.au/Occupation?search=alpha&code=3411>

² Ibis World 'Electrical services in Australia Industry Statistics (May 2020) <https://www.ibisworld.com/au/industry/electrical-services/325/>