Review of Australia's Mutual Recognition Schemes for Workers

Federal

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MASTER ELECTRICIANS AUSTRALIA

Master Electricians Australia (MEA) is a peak industry association representing electrical contractors across Australia. The majority of our members are small and-medium sized businesses. We are recognised by industry, government and the community as a leading business partner, knowledge source and advocate. You can visit our website at www.masterelectricians.com.au .

Our submission focuses specifically on electrical occupational licences for electricians.

MEA commends the Federal Government for its ongoing commitment to both improving workforce mobility and enhancing standards for licence holders and strongly supports the introduction of national occupational licensing for the electrical trade.

Australia is experiencing a critical electrical skills shortage, compounded by fragmented interstate licensing requirements that:

- Restricts labour mobility by preventing electricians from moving quickly to where demand is greatest;

- Creates unequal skill assessments and requirements for obtaining and retaining an electrical worker licence; and

- Results in differing licence categories across jurisdictions.

Electrical work is high-risk, making licensing essential to ensure only properly qualified individuals perform the work. With a national Certificate III qualification already in place and national Wiring Rules, there is no rationale for differing eligibility requirements across states and territories.

MEA prefers a hybrid model (see below) whereby existing state/territory licensing bodies remain in place with a set of national licensing eligibility rules. Our priority position for national licencing can be found in our response to the *National Licensing for Electrical Occupations* inquiry.

MEA considers that the hybrid model represents the most practical and durable approach to improving interstate licensing arrangements for the electrical industry. However, recognising the current policy momentum towards Automatic Mutual Recognition (AMR), MEA also offers a number of recommendations aimed at strengthening the scheme's operation. These suggestions are informed by the industry's longstanding experience with attempts to implement national licensing frameworks, which have repeatedly failed to deliver a workable outcome. Genuine national consistency for electrical licensing is worth working towards.

A successful national licensing framework aligns with the 2024 agreement by all Australian governments to create a single national market, ensuring that no new barriers are entrenched to:

- Buying or selling goods and services
- Operating businesses
- Working across state and territory and international borders.

This submission sets out how a nationally consistent framework can deliver the benefits of mobility and productivity without compromising regulatory oversight, industry safety standards, or jurisdictional autonomy.

Impact and Effectiveness of Mutual Recognition Schemes

Q1. Have mutual recognition schemes made it easier to work across jurisdictions and/or pursue job opportunities outside of a worker's home state or territory?

There are multiple "mobility" schemes for electricians, namely:

- Mutual Recognition (MR)
- Automatic Mutual Recognition (AMR)
- East Coast Electricians Scheme (ECES).

As demonstrated in MEA's interstate licensing matrix, these schemes are highly fragmented, lack cohesion and create confusion. Licensed electrical workers may be uncertain about where they can work and under what conditions. In jurisdictions where AMR or ECES do not apply, workers face increased costs and administrative burdens. These inconsistencies lead to duplicated licence applications, delays in project mobilisation, lower or inconsistent standards, and the underutilisation of available labour.

In practice, AMR has not fully delivered the promised benefits of easier interstate mobility. Rather than streamlining workforce mobility, the coexistence of AMR with MR and ECES has compounded the problem. For example, although AMR was designed to reduce interstate licensing fragmentation, not all jurisdictions have adopted it, and in some cases where it has been enacted electrical licences have been explicitly excluded (for example - in the ACT). Further, there can be a lack of clear communication to workers about who is eligible to work in which jurisdictions under which conditions.

In addition, there remain jurisdictions that permit lower standards for licensing eligibility. This results in employers being disappointed and caught off-guard when hiring workers from those states.

We also note the *Mutual Recognition Act* does not remove additional licence fees, applications and administrative requirements for workers.

In short, AMR in its current form has failed to resolve issues such as mobility barriers, unequal skill and assessment requirements, and different licensing categories.

Q2. Have mutual recognition arrangements generated economic benefits? For example, have they helped to improve workforce participation, address skills shortages or increase productivity?

The current mutual recognition arrangements have delivered limited economic benefit for the electrical workforce. Administrative processes and delays associated with relying on mutual recognition, as well as lack of information, discourages electricians from undertaking work across jurisdictions. Where AMR and ECES are available, confusion about its application may further deter electricians from working interstate.

As a result, the schemes have not significantly improved workforce mobility, limiting the ability of electricians to respond to regional skills shortages or surges in localised construction demand. This constrains workforce participation and productivity, as skilled workers are less able to move quickly to where their services are most needed.

Q3. Does the Mutual Recognition Act, and the processes and policies implemented by jurisdictions in support of the operation of the Act, appropriately manage risks to worker safety and consumer protection?

A critical element in harmonising electrical licensing frameworks is the standardisation of terminology, particularly the definition of "licensed electrical work". At present, definitions vary across states and territories, creating inconsistencies in licensing requirements and in the scope of work permitted under each licence. Such inconsistencies generate uncertainty for workers operating interstate, undermining compliance, safety and productivity outcomes, and ultimately the purpose of a nationally harmonised licensing model.

MEA seeks the Federal Government's support in promoting collaboration among state and territory regulators on definitions such as "licensed electrical work."

Implementation and Alignment of Mutual Recognition Schemes

Q4. Have mutual recognition schemes been implemented consistently across jurisdictions? Where variations exist, are these variations clear, and are they adequately justified and proportionate to risk?

As noted in our response to Q1, jurisdictions have adopted differing approaches to interstate electrical licensing, resulting in a fragmented and complex framework. This complexity creates uncertainty for electricians about where they can legally work across borders.

In addition, these differing arrangements produce inequities. For example, although Queensland does not adopt the AMR framework, it permits interstate licensed electricians through the *Electrical Safety Regulation 2013*. Conversely, Queensland electricians cannot automatically operate under AMR principles in other jurisdictions, leading to unequal opportunities for workers who possess the same skills and competencies.

Barriers worth noting from previous attempts at national electrical licensing which have contributed towards the fragmented frameworks include:

- *Voluntary Participation* – AMR remains voluntary for jurisdictions, as seen in Queensland's decision to opt out (see above).

- *Inconsistent Application of AMR* - Electrical licence holders from some states can work interstate under AMR, while the reverse is not always true (for example, WA and the ACT), creating a fragmented and inequitable framework. Additionally, in some cases, additional restrictions are imposed, such as limiting work to the scope of the home-state licence

- *Compliance Management* – Compliance management and enforcement are clear barriers to seamless national licensing. This is demonstrated with regulators currently lacking visibility of disciplinary actions taken in other jurisdictions, enabling poor actors to operate undetected across borders undermining industry confidence. In addition, the ACT has continued its broad interpretation of "significant risk" to include its unique demerit point system to justify the continued exemption of electrical licences from AMR; an interpretation with which MEA does not agree.

- *Jurisdictional Authority* – Regulators view ceding sovereignty over licensing as a risk, particularly where licensing is tied to revenue from fees and renewals.

- *Licensing Regimes* – Each jurisdiction has its own licensing framework, which creates inconsistencies difficult to address when regulators seek to avoid passing on sovereignty, including -

  - *Standards* – Entry requirements differ, with some jurisdictions applying high thresholds for obtaining a licence and others comparatively low (for example, the pathways to licensing in NSW include a non-apprenticeship experience pathway, Victoria has the additional LEA exam and an in person CPD requirement, Queensland has the online Skills Maintenance Test, there are differing apprentice supervision requirements in jurisdictions, and varying levels of oversight by regulators). This raises concerns about quality and safety when licence holders move under AMR.

  - *Definitions of Categories of Electrical Work – There* is inconsistency around Australia in how categories of electrical work are defined and regulated, including differences in licensing frameworks. For example, linespersons are subject to formal licensing requirements in Queensland and Victoria, whereas New South Wales relies on alternative authorisation and competency frameworks rather than a specific licence category.

  - *Equity and Loopholes* – These inconsistencies create inequity for electricians trained under more rigorous regimes, and opportunities for "licence shopping," where individuals could obtain licences in jurisdictions with lower entry requirements before working interstate, or could lose a licence in one jurisdiction but remain working in another.

MEA contends these barriers are avoidable and highlight the need for a national occupational licensing system to align standards and requirements across states, preventing over-regulation in some jurisdictions while lifting rigour in others.

Q5. How do exemptions, delays or inconsistencies in recognition impact on the operation of mutual recognition schemes and the benefits that these schemes are intended to provide?

Fragmentation in mutual recognition creates confusion for electricians by leaving workers uncertain about where they can lawfully perform work. This uncertainty discourages electricians from relying on the scheme, meaning it does not function as intended to enable smooth interstate mobility.

In addition, inconsistencies increase administrative and compliance burdens for both workers and regulators, can slow project delivery, and create inequities between equally skilled electricians across jurisdictions, reducing the overall effectiveness and economic benefits of the scheme.

Q6. To what extent are licensing and registration laws and standards harmonised across jurisdictions? Where they are misaligned, does this make it harder to work across jurisdictions and/or pursue job opportunities? If so, how?

Eligibility for Licence

Standards for obtaining an electrical licence differ across jurisdictions - for example in New South Wales, individuals can become licensed electricians without completing a formal apprenticeship, and it is understood that some training providers rely entirely on on-the-job training while still receiving full government funding.

Training and Assessment Standards

Training and assessment standards for electrical licensing vary across jurisdictions. RTOs are not consistently audited or aligned with licensing requirements, leading to uneven training quality and differing thresholds of competence for new entrants. Members have raised concerns that qualification assessments by some RTOs in some jurisdictions lack rigour, with no nationally consistent suite of learning and assessment resources.

For example, MEA has head that some New South Wales Registered Training Organisations (RTOs) are not consistently meeting the standards required to ensure competent and safe electrical apprenticeships. Oversight by the Australian Skills Quality Authority (ASQA) has reportedly been limited, with enforcement and disciplinary action largely absent. RTOs may be instructed to improve their practices, but there is often no adequate enforcement, allowing standards to remain inconsistent. ASQA reportedly relies on data provided by state regulators to determine compliance actions; if state regulators do not provide sufficient detail, gaps in licensing standards and enforcement can emerge. Queensland RTOs by comparison are often required to demonstrate how capstone assessments are conducted, ensuring apprentices meet competency requirements before licencing.

As another example, Victoria has an additional Licensed Electrician's Assessment LEA) which apprentices must complete to become qualified.

These inconsistencies undermine confidence in licensing outcomes and creates risks to both safety and workforce mobility. Strengthened oversight to maintain consistent licensing standards nationwide is required.

Variability in RTO Quality and Delivery

The quality of training delivery varies significantly between RTOs (as noted above), particularly private versus public providers. Inconsistent delivery standards mean apprentices can complete the same UEE qualification with very different levels of competence, making employers cautious about hiring from outside their state or from providers they do not trust.

Regulatory Framework

Some jurisdictions have a dedicated electrical safety department (for example QLD's Electrical Safety Office, and Victoria's Energy Safe Victoria) while other jurisdictions do not (for example NSW's electrical industry is regulated by the Building Commission NSW, which also regulates all other residential construction trades). This creates industry concerns that oversight, enforcement and resourcing may be below standards.

Exemplar Profiling (E-Profiling)

E-Profiling is inconsistently applied and often poorly implemented, with many apprentices and employers reporting that requirements are unclear, outdated, or not appropriate to current industry settings. However, it should be acknowledged that with the current UEE package review underway by Powering Skills Organisation, it is expected E-Profiling will be updated following an updated Cert III release. Nonetheless, inadequate understanding by supervisors and business owners further undermines its effectiveness, leading to patchy record-keeping, limited visibility of apprentice progress, and variable training outcomes across jurisdictions.

Continued Professional Development (CPD)

CPD is considered essential to ensuring licensed electrical workers remain competent and up-to-date with industry advancements. At present, only Tasmania and Victoria mandate CPD (though MEA is of the view both frameworks require adjustment). We have been encouraging state regulators to develop a consistent national CPD regime under the national occupational licensing framework (see below).

The Experience of Industry Navigating Mutual Recognition Arrangements

Q7. In what specific ways do current mutual recognition arrangements impede or create barriers to the movement of workers, contractors or firms?

Contractors

The existing MR, AMR, and ECES schemes do not apply to contractors. As a result, all electrical contractors must obtain and pay for a new licence to work interstate, creating unnecessary financial and administrative burdens. This is a particular pain point for SME members operating near jurisdictional borders who regularly service customers across state lines (e.g. the NSW–QLD border), requiring them to hold and maintain multiple licences.

This licensing barrier limits contractors' ability to respond quickly as subcontractors to demand on large projects in other jurisdictions, leaving skilled workforces underutilised in some regions while shortages persist elsewhere, and forcing premium-priced contractors to be sourced locally. For those choosing to work interstate, it adds compliance costs that divert resources from job creation, training, and business growth.

Q8. Is it easy to find information regarding eligibility, processes, and mutual recognition requirements for workers and employers? How clear is this information? Is help available to navigate the process?

Although information on eligibility, processes and mutual recognition requirements is available across jurisdictional regulator websites, it is not always presented in a clear or consistent way, which can make it difficult for workers and employers to easily determine their eligibility or understand the steps required.

To assist industry, MEA has developed a matrix that clearly sets out where electrical workers and electrical contractors can operate under the various recognition schemes. This tool consolidates the relevant arrangements across jurisdictions and provides a practical reference for employers and workers seeking to understand their options.

Q9. Are requirements to notify regulators when working interstate imposing a barrier to mobility? Do regulators receive sufficient information on interstate workers? Could the notification process be simplified or improved?

For information on interstate mobility barriers, refer to Q1 above.

For more information on interstate information sharing, refer to Q10 below.

Q10. How do registration authorities support cross-border mobility?

The current schemes do not provide mechanisms for authorities to notify other jurisdictions of licence suspensions, cancellations, or warnings. This means a worker who is, for example suspended, in one state could still operate under their in-state licence elsewhere, creating significant safety risks for customers, coworkers, and the broader community.

This could be resolved with a streamlined national licence register platform.

Opportunities to Strengthen and Streamline Licensing Arrangements

Q11. What are the opportunities to improve the consistency and efficiency of mutual recognition processes across jurisdictions?

MEA supports the introduction of national occupational licensing and prefers the proposed hybrid approach. Refer to our prior submission for more detail.

However, noting recent Productivity Commission recommendations that place greater emphasis on the AMR scheme, MEA considers it appropriate to outline considerations and potential frameworks that may assist in supporting its effective implementation should this approach be pursued.

Considerations for AMR Scheme

Improved Training and Licensing Alignment - To assist in consistency of training and licensing outcomes, MEA is hopeful that the current UEE package review by PSO will produce training & assessment tools that can be implemented by RTOs (subject of course to jurisdictional specific matters to be included by RTOs).

We would also like to see standardised national audits of RTO training and assessment and in particular capstone assessments across all jurisdictions. We are hopeful an improved capstone process would remove the need for an additional LEA in Victoria.

Continued Professional Development (CPD) - Consistency of licence renewal requirements including CPD is also considered essential if occupationally licensed electricians are permitted to work across multiple jurisdictions with the one licence. MEA advocates for a framework whereby registered entities (not limited to RTOs) can deliver free and low-cost training modules with online options (with learning outcomes), with annual review of mandatory topics to ensure up-to-date knowledge of regulatory changes, technological advancements and areas with highest defect rates.

Unified Enforcement and Compliance / Digital Technology - MEA supports all state and territory regulators maintaining individual licence databases that are shared nationally via API integration, enabling consistent access to licence details, CPD logs, disciplinary actions, and verification information. This would allow all regulators to see licence updates in different jurisdictions (i.e. suspensions, cancellations, conditions, etc). It would also close the current loopholes under AMR, where enforcement of misconduct across state lines is often non-existent due to lack of national regulator visibility, and prevent poor practices from simply being relocated to another jurisdiction.

Governance– An existing national body, such as Powering Skills Organisation (the relevant JSC) would be the most appropriate entity to coordinate agreement of requirements by national regulators.

Monitoring and Enforcement –Should remain the responsibility of jurisdictional regulators, with any licence updates (e.g. conditions, suspensions, warnings) made visible to all regulators via the licence register.

Q12. How can technologies, systems and/or processes reduce costs and improve safety, quality and employment outcomes?

Technologies, systems, and processes can reduce costs and improve outcomes by streamlining administrative tasks, improving compliance, and enhancing information sharing. Digital platforms for licensing and mutual recognition can automate verification, reduce delays, and ensure real-time updates on suspensions or cancellations, improving safety. Standardised processes and interoperable systems allow electricians to work across jurisdictions with certainty, reducing errors and unnecessary duplication. These improvements also support workforce participation by making it easier for skilled workers to take up opportunities where demand is highest, ultimately enhancing quality, safety, and efficiency in the electrical industry.

Q13. In what circumstances could a national licence (broadly defined as a single licence recognised in all jurisdictions to a common set of regulatory standards) complement or replace existing mutual recognition arrangements? What would be the potential benefits and costs of moving to a national licensing scheme?

While a single national licence is one option, MEA believes this outcome can be achieved by a single set of licence eligibility requirements (including CPD for renewals), a national disciplinary action register to ensure cancellation/suspension in one jurisdiction applies to all, and a requirement to only hold one licence paid in the home jurisdiction. State/territory licensing regulators would continue to issue licences, collect licence fees, and regulate licensees.

To further improve labour mobility, each state and territory would need to implement legislative amendments to recognise equivalent external licences – QLD demonstrates a successful framework for how this could work[1]. This would remove unnecessary administrative barriers and enable licensed workers to move more freely between jurisdictions without duplication of licensing processes.

In addition, consideration should be given to implementing support training packages that contractors can deliver to interstate workers. These would assist in building awareness of relevant regulatory requirements, safety expectations, and any local variations in practice. This approach would support duty of care obligations while enabling workforce mobility.

MEA's preferred 'hybrid' model would be the least disruptive to state/territory regulators as well as licence holders who would continue to interact with their home state regulator as they currently do, but would improve mobility of licence holders by not having to issue notifications or pay licence fees in multiple jurisdictions. It would lift the standards for licence holders across Australia by uplifting requirements in the minority of jurisdictions requiring this.

[1] *See Queensland's Reg 41 Electrical Safety Regulation 2013 'External Licence Equivalents'*

Conclusion

Australia's electrical industry is facing a period of critical skills demand driven by the clean energy transition, housing construction programs, and major infrastructure delivery. Ensuring the sector has a mobile and competent workforce is central to meeting these national objectives.

MEA preferences a hybrid framework as it represents a pragmatic and implementable reform

MEA commends the Federal Government for addressing workforce mobility and would welcome further discussion on developing an efficient system that benefits not just the electrical industry, but the wider economy as a whole.