

# National licensing: where to now?

Two years after our first look into national licensing, HVAC&R Nation finds out where the issue currently stands.

## National Licensing System Timeline

### July 2008

Council of Australian Governments (COAG) meeting acknowledges that Australia's overlapping and inconsistent regulations impede productivity. A National Licensing System (NLS) is one of 27 regulatory reform priorities.

### Feb, May June 2009

Jurisdictional (State) regulators meet

### April 2009

National peak body industry workshop held, Intergovernmental Agreement (IGA) signed by COAG and Decision Regulation Impact Statement (RIS) agreed by COAG.

### October 2009

Interim Advisory Committees for specified occupations agreed by the Ministerial Council

### November 2009

Exposure Draft of the National Occupational Licensing Law and a supporting explanatory paper released for public consultation. Public information sessions held in all capital cities.

### December 2009

Public consultation submissions received.

### April 2010

Law to be introduced in 'host' jurisdiction – Victoria

### November 2010

Law to be passed in all other jurisdictions

### Late 2010

Establish Interim Advisory Committees for second wave occupations (Building and building-related occupations, land transport (passenger vehicle drivers and dangerous goods only), maritime and conveyancers and valuers)

### January 2011

National Occupational Licensing Authority (NOLA) to be established

### July 2012

First wave occupations commence (refrigeration and air conditioning mechanics, electrical, plumbing and gas fitting and property occupations (excluding conveyancers and valuers)



The subject of national licensing for refrigeration and air conditioning licence holders has been at the forefront of industry discussion for a number of years.

In Australia, the requirements for trade-licensed occupations depend on the state or territory in which a licensed tradesperson works.

For those working in a single location, the issue of licensing is less of a problem than for those contractors working in multiple jurisdictions and who require more than one licence.

A perfect example of where this type of licensing affects tradespeople is in border towns – places such as Albury/Wodonga or Coolangatta and Tweed Heads. While their work can take these tradespeople across two states for much of their business, they require separate licences – as required by each separate state jurisdiction.

Back in 2008, the federal government acknowledged this problem, and the Council of Australian Governments (COAG) began a process to create a national licence for all vocationally trained licensed occupations in Australia.

Since this time, a national licensing system (NLS) has moved closer and closer, with the aim to allow a licensee to work anywhere in Australia without having to re-apply for a licence when moving to another state.

Implementing the national licensing system is reliant on a national law that is given effect by an Act of jurisdiction – in this case, in the state of Victoria, which is then adopted and applied as a law by participating jurisdictions (the other states and territories). This is a standard approach to implementing national

systems to achieve uniformity where constitutional powers rest with the states and territories, and not the Commonwealth.

In December last year, a draft of this law was released for public consultation.

Next month, the law will be introduced into Victorian Parliament. Following the passing of the legislation in Victoria all remaining states and territories will pass legislation that makes the Victorian legislation law in their jurisdiction.

The favoured model of the national licensing system will be twofold, with a national occupational licensing authority to administer policy and administration for the scheme and with state licensing authorities to be involved in an operational and disciplinary function.

With each specific occupational area having its own set of regulations, committees that represent each of the groups of occupations (including refrigeration and air conditioning mechanics), have been meeting to discuss a number of crucial matters in setting up the national licensing system.

This month, the committees will meet again to consider the first key policy element, the licence structure and scope. This includes the categories and levels of licences to be issued, the classes to which categories of licence can be issued and the scope of work authorised by each licence category/level.

According to official timelines, refrigeration and air conditioning mechanics fall into the first wave of occupations, due to commence the national licensing system on July 1, 2012. Electrical, plumbing and gas fitting and property occupations (excluding conveyancers and valuers) also make up this category.

Building and building-related occupations, land transport (passenger vehicle drivers and dangerous goods only), maritime and conveyancers and valuers

## National Licensing System eligibility

To be eligible for a licence, the law establishes that applicants must satisfy personal and financial probity requirements.

Personal probity – incorporates such matters as criminal history; traffic history; civil penalties and orders; Australian Securities and Investment Commission action disqualifying persons from being a director; and business associates.

Financial probity – incorporates such matters as being an undischarged bankrupt; Deeds of Arrangement; and being involved in a corporate entity that has been wound up, placed under administration/receivership or traded while insolvent.

Further eligibility requirements extend beyond qualifications, skills, knowledge, experience and probity to incorporate: health and fitness; age; language skills; insurance contributions to a fidelity fund; and business skills.

will make up the second group of occupations to be introduced to the NLS some time after July 2013.

## Find out more about the national licensing system at ARBS

Craig Simmons represents the ACT on the regulators working group for the national licensing system and is delivering a free seminar on its impact on the industry at the Air Conditioning, Refrigeration and Building Services Exhibition (ARBS 2010) to be held in Sydney in April.

Simmons will outline some of the complexities of the current situation – the scope of work covered by different licence types in different locations, and when and where licences are required currently. He will also outline the progress towards national licensing standards.

While standardising licences is a simple objective, it's a complicated process. There are diverse views on what the regulations should be, and how they should be enforced. Some people favour performance-based regulations that are monitored by audits to ensure quality and safety objectives are being met. Others favour more prescriptive regulations that rely on more traditional inspection systems to deliver enforcement.

There will also be a review of all training packages to ensure they meet the requirements for licensing before the new legislation commences. This will ensure students coming through a three-year course

will be qualified under the new licensing rules that take effect in 2012.

Part of the challenge of the scheme right now is to develop the new licensing rules and the revised training packages at the same time.

Although it sounds like there's a lot of potential for conflict, there has been a lot of goodwill generated throughout the process, says Simmons. And the end result will be a win for everyone – a national licensing scheme that replaces each state and territory's current rules on licences.

To register for this seminar, visit [www.arbs.com.au](http://www.arbs.com.au). For further information on the NLS, visit [www.govdex.gov.au](http://www.govdex.gov.au) and follow the link to COAG National Licensing. ▲

Craig Simmons is director of the Construction Services Branch with the ACT Planning and Land Authority. Earlier in his working life, he was a licensed electrician.

Attend Craig's seminar at ARBS 2010 (April 12–14, 2010) at the Sydney Exhibition and Convention Centre, Darling Harbour. For session information visit [www.arbs.com.au](http://www.arbs.com.au)

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