



12 June 2025

National Competition Analysis 2025
Productivity Commission
Locked Bag 2, Collins St East
Melbourne VIC 8003

**PRODUCTIVITY COMMISSION CALL FOR SUBMISSIONS TO THE NATIONAL COMPETITION
POLICY (NCP) ANALYSIS 2025 – INFORMATION REQUEST 1: OCCUPATIONAL LICENSING**

SUBMISSION FROM STANDARDS AUSTRALIA

Thank you for the opportunity to provide a Submission to *the National Competition Policy Analysis 2025* consultation paper.

Standards Australia is recognised as Australia's peak national standards body under a Memorandum of Understanding (MoU) we hold with the Commonwealth of Australia. As Australia's national standards body, we collaborate with government, industry and consumers to develop and adopt fit-for-purpose technical standards that aim to ensure products and services are safe, efficient, and benefit the Australian community. In addition, as Australia's representative of the International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC), we are also specialists in the development and adoption of internationally-aligned standards in Australia.

Our work is underpinned by decades of reform, consistent with best-practice regulatory principles, including recommendations from successive Productivity Commission reviews.

As per the MoU with the Commonwealth, Standards Australia develops standards of net benefit to the Australian community through a process of consensus. To achieve this, we:

- establish an acceptable balance of all relevant interests in the technical committees that develop Australian Standards and adopt international standards; and,
- make the standards development process accessible to the Australian public through providing opportunities for public comment and consultation.

In addition, we are required to act in a way that is consistent with Australia's international obligations under the World Trade Organization (WTO) Agreement on Technical Barriers to Trade (TBT Agreement). We are obligated to develop Australian Standards based on International Standards, unless there is a justifiable reason not to do so because of fundamental climatic or geographical factors or technological problems.

The standards that we develop aim to ensure safety, quality and competency across various professions underpin licensing requirements and ultimately protect consumers by ensuring a reliable and skilled workforce across sectors.

We recognise the positive impact that occupational licensing schemes can have on enhancing public safety and professional standards in Australia. However, the current lack of harmonisation in licensing requirements and recognition across States and Territories for some sectors can act as a significant barrier to entry for workers and limit competition and productivity in certain industries.

Skills shortages, the need for labour to move between States and Territories to meet national needs, such as after a natural disaster or to build Olympic venues in Brisbane, add to a strong case for national occupational licensing.

There is a significant opportunity for improvement by supporting the establishment of national licensing schemes. In support of this objective, our response to this call for submissions focuses on responding to *Information request 1* in the *National Competition Policy analysis 2025 – Call for submissions*.

Our recommendations for the Productivity Commission's consideration are as follows.

(1) Recognition of the importance of aligned standards

While there is general recognition that standards that define the competencies, skills and knowledge required for various occupations play a crucial role in underpinning occupational licensing, we believe more attention needs to be placed on ensuring harmonisation of the standards used to define minimum requirements and the approach in which they are used across schemes.

These standards serve as a foundation for regulatory bodies to establish licensing requirements, ensuring that practitioners meet the necessary qualifications to perform their duties safely and effectively.

Fragmentation and misalignment of inconsistent licensing, skills, and competency frameworks in Australia can lead to significant inefficiencies. This fragmentation can result in avoidable duplication of training, inefficient resource allocation across borders and delays in workforce deployment. The continuation of efforts to harmonise the standards that underpin the licensing requirements and their use in licensing arrangements should be the first step in seeking to adopt a national licensing system in Australia for different occupations.

There is also clear evidence¹ that industry and training providers have struggled with both the varying standards and inconsistent requirements for working in different parts of Australia. Issues range from occupational licensing regulatory frameworks referencing different standards in their requirements, to divergent regulatory approaches across different States and Territories that range from performance-based approaches to prescriptive approaches. The impact of this divergence is that businesses that work across borders face regulatory red tape and costs in needing to understand and comply with divergent standards and systems of compliance, and practitioners face the administrative burden of undertaking multiple training and assessment requirements when transitioning between States and Territories.

Australian Government engagement processes seeking to standardise procedures through a single national license has focused largely on mutual recognition and the development of a national licensing legislative framework. As the Productivity Commission has stated, these approaches have either failed or are not working effectively, with mutual recognition (where it has been implemented), impacted by 'jurisdiction shopping' for the cheapest available licence, and concerns from business related to the difficulty in keeping track of frequent updates to different requirements.²

¹ The Australian New Zealand School of Government, ANZSOG Case Program - The National Occupational Licensing Project, accessed [here](#).

² Productivity Commission: Evaluation of Mutual Recognition Schemes - Research report. Productivity Commission, Canberra, Oct 2013.

The solution we advocate is to move towards a more systematic approach that involves reviewing and mapping standards and regulatory approaches across the different State and Territory schemes and the undertaking of whole-of-government efforts to harmonise standards and regulatory approaches in one national scheme in the selected sector. This should in our view be a major element in Australia's approach going forward. Whilst, in some ways, it represents a more indirect approach to the issue, we believe it would be far more effective in the long run.

This process would support the harmonisation of the underpinning standards that define competencies, skills and knowledge required to undertake an occupation. It would also seek to support harmonisation of the frameworks for referencing the standards and could support greater alignment in updating licensing schemes when referenced standards are themselves updated.

In addition, this effort should address the persistent challenges of standards access and affordability. Licensing schemes that rely on referenced standards must ensure that access is streamlined, timely, and affordable - particularly when those standards are the regulatory baseline for worker competency.

A national, co-funded access model would help ensure that all licensed practitioners, regardless of location or employer, can access the correct version of the standard at the right time, enhancing quality and safety, whilst reducing non-compliance, rework, and training inconsistencies.

We recognise that this agenda would be challenging and would require a coordinated, whole-of-government approach. Standards Australia is ready to assist in the work that would inevitably be required to give life to this agenda.

(2) Support coordinated licensing reform through nationally consistent standards and regulatory collaboration

Nationally harmonised occupational licensing will require not only alignment of legislation and recognition arrangements, but also a consistent, standards-based approach to defining and maintaining core competencies. This includes not just the development of consistent standards, but agreement on when and how they are adopted or referenced within licensing frameworks.

We recommend that governments support the establishment of a coordinated reform platform, potentially through a joint taskforce or working group, that includes State and Territory regulators, Skills Ministers, and key standards and training bodies. This platform would support the practical alignment of standards-based requirements across jurisdictions, reduce duplication in training frameworks, and enable more consistent implementation of reforms. Standards Australia is prepared to contribute to this effort, including by facilitating dialogue between regulators and technical experts across sectors, ensuring that the standards used to underpin licensing are consistent, current, and fit-for-purpose.

(3) Engagement in standards development processes

Finally, we wish to recommend that Productivity Commission encourage State and Territory governments to engage with Standards Australia's standards development processes. We see this engagement as important for supporting the harmonisation of occupational licensing across Australia.

By actively participating in the development of the standards that are picked up in licensing schemes, State and Territory governments that are not currently engaging in the relevant Technical Committees can collaborate with their counterparts. This may support a more cohesive framework that addresses the needs of the different States and Territories while promoting consistency in licensing requirements.

Engagement in the relevant Technical Committees allows for sharing of best practices, insights and experiences from the different jurisdictions, and will ensure that the standards developed meet the needs of each jurisdiction. It is hoped that this will reduce the need to have discrepancies in licensing processes and requirements, leading to a more unified national approach.

Participation also enables forward planning and smoother implementation of reforms. When licensing authorities are active in standards development, they are better equipped to coordinate updates, avoid regulatory lag, and support transition planning, including clarity around versioning and timing for practitioners and training providers.

Once again, we thank you for the opportunity to contribute ideas to this request for submissions. Should you have any queries about this submission, I would be happy to discuss and can be contacted.

Yours sincerely

Rod Balding
Chief Executive Officer