

National Competition Policy analysis 2025

Gas Energy Australia (GEA) represents Australia's liquid gas supply chains including Liquefied Petroleum Gas (LPG) and associated gases. Our members span production to retailing and everything in between. The LPG industry safely and securely supplies 43PJpa to industrial, commercial, residential, leisure and transport energy consumers nationally, including around 30% of regional households where electricity can be unreliable or unavailable¹.

GEA welcomes the opportunity to comment on the Australian Government Productivity Commission (PC) National Competition Policy analysis 2025. We respond with particular regard to considerations relating to the harmonisation of Australian Standards and generally advise caution while considering harmonisation of Australian Standards.

An effective standards framework is critical to the LPG industry – an industry which supplies energy to Australian industrial, commercial, residential, transport and recreational users. Through renewable forms of LPG, consumers will be able to maintain reliable, affordable energy while supporting emissions reduction targets.²

Standards ensure the safe and secure supply of LPG to the millions of energy customers which have integrated LPG into their lives, homes and businesses. This puts great onus on any process for harmonising standards to ensure no unsafe conditions are produced through harmonisation. safety of Australians and Australian businesses is at stake.

General Feedback

Harmonisation of Standards

GEA welcomes the Productivity Commission's review and strongly supports greater harmonisation of Australian Standards with international equivalents where this is appropriate and beneficial to industry, the broader sector, and the nation.

Targeted reviews of mandated standards are essential to ensure alignment with international practice. This process must involve comprehensive consultation with industry.

¹ DCCEEW, 2024, *Australian Energy Update 2024*,

<https://www.energy.gov.au/publications/australian-energy-update-2024>

Australian Bureau of Statistics, 2014, *Environmental Issues: Energy Use and Conservation*,

<https://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/4602.0.55.001Main+Features1Mar%202014?OpenDocument>

² Frontier Economics, 2023, *Pathways to Zero Emissions for LPG*,

<https://www.gasenergyaus.au/get/2016/pathway-zero-emissions-for-lpg-frontier.pdf>

Importantly, industry advice identifying genuine misalignment should be accepted as a reasonable basis not to harmonise. We note the Commission's interim finding that 76% of mandated standards are bespoke Australian Standards. This highlights the need for careful, sector-by-sector analysis, particularly given that many LPG and dangerous goods transport and handling standards fall into this category.

Risks in Regulatory Direction

While GEA supports government attention to harmonisation, we caution against regulatory directions that risk creating parallel systems outside the established standards development process. Standardisation through an independent body such as Standards Australia already presents challenges when it comes to achieving regulatory recognition, and these risks would only be compounded if parallel frameworks were introduced.

Access to Mandated Standards

GEA strongly supports government exploration of publicly funded access to mandated standards. Industry should not be required to comply with obligations set out in documents that have been developed with freely contributed expertise from industry participants but are then made available only through costly subscription purchase. This represents an unreasonable "cost upon cost," offering little productive benefit while placing a disproportionate burden on small and regional LPG operators.

While larger businesses are better equipped to absorb these costs, smaller operators often choose not to purchase standards despite their compliance obligations, which in turn increases safety risks. Furthermore, industry associations that contribute significant expertise to the standards development process should be granted free access to support their role in shaping and maintaining these frameworks.

Specific Considerations for Gas and Dangerous Goods

The LPG industry operates under a wide range of safety, transport, and handling standards applied across multiple jurisdictions. Fragmented regulation in this area often results in duplication and additional compliance costs for businesses transporting LPG products across state and territory borders.

For harmonisation efforts to be effective, alignment of standards must be accompanied by harmonisation of the relevant legislation, regulatory frameworks, and the authorities responsible for enforcement.

Occupational Licensing Schemes

The LPG industry continues to face significant challenges stemming from inconsistent occupational licensing schemes across jurisdictions. Licensed gas fitters are recognised and administered differently from state to state, with approvals based on varying minimum qualifications linked to different training requirements.

These inconsistencies directly limit the mobility of licensed and qualified gas fitters nationally. Compounding this issue is the lack of consistent, recognised, and accessible

gas fitting training through Registered Training Organisations and tertiary institutions, alongside a diminishing pool of qualified and experienced professionals capable of assessing competency, signing off on licenses, or delivering training.

Historically, gas fitting in Australia has been treated as an addendum to plumbing qualifications, reflecting 19th-century household and light commercial needs. However, plumbing and gas-fitting skills are no longer closely aligned. The skills required to safely work with high- and very-high-pressure industrial and fuel gases—and to respond to the demands of the rapidly evolving hydrogen sector—extend well beyond traditional plumbing capabilities.

In recognition of the requirements detailed in Australian Standards AS 1596 and AS 5601, as well as specialised skills beyond these standards, GEA recommends the development of a nationally consistent licensing scheme underpinned by a unified qualification framework. This scheme should establish the requirements of AS 1596 as a baseline, provide higher endorsements for the competencies under AS 5601, and recognise additional specialised skills as necessary. Given the complexity of the trade skills and knowledge involved, GEA would welcome the initiation of a dedicated project to scope these needs in more detail.

Recommendations:

GEA recommends reform that the Productivity Commission:

- 1) **Proper harmonisation process is critical:** Harmonisation risks misalignment in the standards that keep Australians and Australian businesses safe. Productivity cannot risk safety. Harmonisation must stop if industry identifies safety risks.
- 2) **Harmonise standards with law and enforcement:** Align Australian Standards with international equivalents where beneficial, but ensure this is matched by consistent legislation, regulation, and enforcement across jurisdictions.
- 3) **Improve access:** Provide government-funded access to mandated standards to reduce unfair costs, especially for small and regional operators.
- 4) **Avoid duplication:** Retain Standards Australia as the central process and prevent parallel frameworks that increase complexity.
- 5) **National licensing scheme:** Establish a consistent, fit-for-purpose gas-fitter licensing framework, aligned to AS 1596/AS 5601, decoupled from plumbing, and supported by accessible training pathways.

To discuss any of the above feedback further, please contact me. o

Yours sincerely,

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