

## **National Competition Policy analysis 2025 Interim report**

AIRAH appreciates the opportunity to comment on the interim report on national competition policy, which looks at two areas of interest to our organisation: construction standards and occupational licensing.

### **Standards**

Access to Australian Standards and the National Construction Code underpin the day-to-day work of our members, who are professionals in the heating, ventilation, air conditioning and refrigeration (HVAC&R) building services industry. AIRAH supports free or low-cost access to standards referenced in legislation, including referenced supporting technical resources.

In our role of providing technical leadership for the industry, AIRAH develops best-practice resources, including our design application manuals and other guides available to members. We are a member of Standards Australia and have seats on 20 standards committees. Our members also contribute to international standards development committees.

### **Licensing**

Workers in our sector are also affected by registration and licensing. Depending on their job role and the states or territories they work in, they may need to hold more than one license and/or registration and need to navigate an inconsistent regulatory landscape.

AIRAH therefore supports a nationally harmonised approach to professional and trade registration and licensing. This should establish refrigeration and air conditioning as a trade of its own, separate to electrical and plumbing, and be based on standards of competency and sphere of operation and include a separate contractor/business licence as required. Within this framework, tiers of licencing can be established for working on different types of refrigerants and systems.

We have responded further to the Productivity Commission's interim recommendations below. We would be please to respond to any questions and be happy to discuss further any of the points raised.

Yours sincerely,

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AIRAH

**Interim recommendation 1****Priority areas for reviews of standards**

AIRAH strongly supports the recommendations of the Productivity Commission to review standards called up in legislation to ensure that they are aligned with international equivalents, and that the correct standards are referenced. Where possible, we recommend establishing legislation that automatically references the most recent version of standards, rather than pointing to a specific version that will become out of date.

**Interim recommendation 2****Governments should fund access to standards in legislation**

AIRAH strongly supports government funding to enable free or low-cost access to standards referenced in legislation. We also recommend funding for industry training in standards, so that they are used and applied effectively.

We note that standards may rely on other documents or data sets that are not free or low cost. Where a standard incorporated in legislation requires data files to be applied correctly, government should also provide access to these data files.

**Interim recommendation 3****The scheduled independent evaluation of Automatic Mutual Recognition**

AIRAH applauds the Productivity Commission's efforts to quantify the potential productivity gains in harmonising licensing across Australia to improve labour mobility. We also appreciate the inclusion of a HVAC&R technician on the cover of the report.

While an independent evaluation of Automatic Mutual Recognition would be most welcome and may improve labour mobility, we do not believe this will address the fundamental issues with Australia's licensing framework, or the critical challenges faced by professionals and HVAC&R technicians and businesses.

Currently, state licensing regimes vary widely, with some states and territories having no licence class for air conditioning and refrigeration. Additionally, there is a two-tier license structure in Australia, with the national Australian Refrigeration Council (ARC) licence system regulating the purchase and use of prescribed refrigerant gases, and state/territory licence schemes for occupational licensing.

A review of licensing arrangements should take this into account. It should also incorporate licensing for all refrigerant systems; currently, only "prescribed substances" are covered by the ARC licence, leaving emerging refrigerants with hazardous properties out of scope. Such a review would consider the productivity of the sector, the safety of workers and end users, and the environmental impact.