Building a skilled and adaptable workforce inquiry

Questionnaire response 49

Name: Insurance Council of Australia

Submission date: 6/06/2025

Improve school student outcomes with the best available tools and resources

What (if anything) needs to be done to improve the use of edtech tools (including GenAI) in schools?

The participant did not respond to this question.

What more (if anything) needs to be done to improve awareness and access to high quality lesson planning and curriculum materials in schools?

The participant did not respond to this question.

Is there anything more you would like to say about edtech, GenAI or lesson planning and curriculum materials?

The participant did not respond to this question.

Which of the following best describes you?

The participant did not respond to this question.

Are you currently using any edtech tools (including learning games and GenAI) to support teaching and learning in the classroom?

The participant did not respond to this question.

If yes, what has been your experience with using these tools?

The participant did not respond to this question.

Are there things you would like to do with GenAI or edtech tools that you can’t do currently? What’s stopping you from doing these things?

The participant did not respond to this question.

If no, can you tell us why you are not using any edtech tools?

The participant did not respond to this question.

Do you access lesson planning and curriculum materials online?

The participant did not respond to this question.

If yes, what has been your experience with using these tools?

The participant did not respond to this question.

If no, can you tell us why you are not using online lesson planning and curriculum materials?

The participant did not respond to this question.

Survey responses from the Productivity Commission’s Building a skilled and adaptable workforce inquiry are publicly available on the PC's website: **pc.gov.au**. Copyright and the views expressed belong to the submitter(s), not the PC.

Support the workforce through a flexible post-secondary education and training sector

Credit transfer and recognition of prior learning

In your experience, how well does the credit transfer and recognition of prior learning system operate in Australia? Does it adequately support students to move between courses or have their work experience recognised as part of a qualification? Are there ways it could be improved?

The participant did not respond to this question.

Which of the following best describes you? Please select all that apply.

The participant did not respond to this question.

In the past 3 years, have you applied for credit recognition or recognition of prior learning (RPL)?

The participant did not respond to this question.

If yes, what was your experience in applying for credit recognition or RPL like?

The participant did not respond to this question.

If no, can you elaborate on why you didn't apply?

The participant did not respond to this question.

Work related training

What are the main reasons individuals and/or businesses do or do not participate in work-related training?

The participant did not respond to this question.

What role, if any, should businesses be playing to address any barriers and better support the offer of work-related training to employees?

The participant did not respond to this question.

What, if anything, could government do to address barriers and better support the offer of work-related training to employees?

The participant did not respond to this question.

Which of the following best describes you? Please select all that apply.

The participant did not respond to this question.

For business owners, managers and sole traders, how many employees do you have?

The participant did not respond to this question.

For employees/individuals, have you participated in any work-related training in the last 12 months that did not relate to general compliance (such as WHS)?

The participant did not respond to this question.

If yes, can you elaborate on the reasons for the training and any benefits you received from doing it?

The participant did not respond to this question.

If no, can you elaborate on any challenges or barriers you faced in attempting to undertake work-related training?

The participant did not respond to this question.

For business owners, managers or sole traders, have you provided or supported your employees to participate in work-related training in the past 12 months?

The participant did not respond to this question.

If yes, can you elaborate on the reasons for the training and any benefits you or your employees received from doing it?

The participant did not respond to this question.

Can you describe whether you accessed any government assistance, what type, and the amount received? If you didn't access any financial assistance, please tell us the reasons why.

The participant did not respond to this question.

If no, can you elaborate on any challenges or barriers you faced in attempting to provide or support your employees to undertake work-related training, such as the time or cost, availability of relevant or high-quality courses, and level of interest from your employees?

The participant did not respond to this question.

Balance service availability and quality through fit-for-purpose occupational entry regulations

What are the effects of occupational entry regulations? Please describe your experience and name the specific occupations you are referring to.

Consequences of Inconsistent and Excessive Occupational Licensing for Insurers

While occupational entry licensing does not directly impact Insurance Council members, they are critically dependent on a skilled and responsive trades workforce to effectively serve its customers; Afterall, every home, business or motor insurance claims involves skilled builders, plumbers, electricians to restore damaged property or motor repairers to fix cars.

Increasingly, inconsistent and excessive OEL requirements are creating artificial barriers across the economy. Often, these requirements are introduced without rigorous analysis or evidence, creating additional and unnecessary barriers to entry and compounding existing labour shortage challenges. Downstream, this leads to poor outcomes for insurance customers including delays in resolving claims, due the shortage of available tradespeople, as well as higher premiums due to higher input costs.

Maintaining Licensing for High-risk Trades

Insurance Council members recognise the importance of prudent regulation, including appropriate OEL for high-risk trades. We support, therefore, maintaining OEL requirements in building and construction sectors, such as plumbing, electrical, and structural building work, where poor workmanship poses genuine safety risks to workers and the public, and incidents of quality issues are well documented and pervasive.

Licensing Variations and Barriers to Post-disaster Workforce Mobility
There is scope for greater uniformity in OEL across jurisdictions to improve labour mobility. Following major natural disasters, insurers regularly mobilise surge workforces from interstate and varying rules delay the mobilisation of tradespeople across jurisdictions, depriving communities of essential skilled workers when they're most needed for recovery.

We acknowledge state governments' efforts to introduce automatic recognition for trades and the Federal government’s progress towards national licensing schemes for occupations such as electricians. However, ongoing variations in licensing conditions within existing OEL requirements will need to be addressed in order to maximise the benefits of these initiatives.

Case Example: Variability in Mandatory Insurance Requirements for Electricians
One example of these variations is in the level of mandatory insurance electricians must hold under trade licensing conditions:
• In New South Wales, there does not appear to be any requirement for holding insurance as part of electrician licensing.
• In Victoria electricians are required to hold public liability insurance with a minimum cover of $5 million.
• In Queensland on the other hand, electricians are required to hold public liability

insurance with a minimum of $5 million, plus an additional mandatory consumer protection insurance cover of at least $50,000.
Ongoing inconsistencies create a more complex and uncertainty operating environment for the deployment of interstate trades and risks undermining benefits of mutual recognition arrangements or national licensing schemes if not adequately addressed.

Do you believe current occupational entry regulations are proportionate to the level of risk associated with different professions? Why or why not? If not, do you have any suggested improvements to regulations to better reflect risks? Please name the specific occupations you are referring to.

Motor Vehicle Repair Trade Licensing: Disproportionate Response to Minimal Risk
A clear example of excessive OEL is the requirement in some states for individual mechanics and panel beaters to hold a licence.

These requirements are typically justified on grounds of improved safety or higher industry standards. However, data from our members, who authorise over 1.5 million motor insurance repairs each year, shows no evidence supporting this position.

Our members measure repair quality by tracking repair rectification rates, which is the percentage of vehicles requiring rework following a repair process. Table 1 below shows not only consistently low rectification rates – which suggests minimal risk of poor motor vehicle repair quality in the first place – but that there is limited variability in repair quality outcomes in states that mandate licensing (NSW/ACT, and WA) compared to those that do not (VIC, SA, TAS, and NT). Notably, in 2024, the year that this data was obtained, states without licensing recorded lower rectification rates than states with licensing. This suggests OEL for individual trades in motor repairs imposes unnecessary regulatory costs without delivering appreciable benefits for consumers.

We consider that existing regulations provide sufficient protections against the consumer harms and worker safety risks occupational entry licensing (OEL) for motor repairers aims to address. Current Work Health and Safety (WHS) laws already require employers to provide appropriate training, tools, and equipment for workers to safely perform their roles. Additionally, consumer law protects customers by requiring services to be delivered with due care and skill. Further protection exists where vehicles are repaired under insurance policies (which account for around 80% of motor vehicle smash repairs). In these cases, the General Insurance Code of Practice requires insurers to provide a lifetime guarantee on the quality of workmanship performed under an insurance claim.

Given the limited evidence of consumer harm or improved outcomes arising from OEL for motor repairers (as demonstrated by comparable repair quality across jurisdictions with and without licensing) and the robust existing protections under WHS regulations, consumer law, and the General Insurance Code of Practice, we consider motor repair OEL requirements should be removed entirely.

Table 1 Vehicle repair quality as measured by rectification rates
State / Territory Rectification as % of total insurance assessments Occupational licensing required to perform motor vehicle repairs?
TAS 0.04 % No
NT 0.14 % No

VIC 0.28 % No
SA 0.28 % No
NSW / ACT 0.33 % Yes
WA 0.57 % Yes
QLD 0.69 % No
Source: Insurance Council of Australia 2025

Which of the following best describes your connection to occupational entry regulations? Please select all that apply.

Industry association or professional-body representative

Which state or territory are you predominantly based in?

We represent all general insurers in Australia. The Insurance Council of Australia itself is predominantly Sydney based.