

Building a Skilled and Adaptable Workforce

-Interim Report

FED

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Master Electricians Australia (MEA) is a peak industry association representing electrical contractors and is recognised by industry, government and the community as a leading business partner, knowledge source and advocate. You can visit our website at www.masterelectricians.com.au

MEA welcomes the opportunity to respond to the Productivity Commission's interim report into Building a Skilled Workforce.

The electrical industry faces a severe skills shortage driven by electrification, a construction boom, and projects such as the Queensland Olympics.

To meaningfully address the skills shortage, greater financial support must be directed to small electrical contractors who shoulder the burden of training the next generation of electricians. While demand from prospective apprentices remains strong, the capacity of both RTOs and employers to meet training needs is severely limited.

We therefore urge the Productivity Commission to consider recommendations focusing on the following systemic constraints:

- Support for SME businesses to take on junior apprentices
- Apprentice/trainee supervisor training and support
- School curriculum pathways into trades
- Investment in digital training tools to address RTO trainer shortages
- Inclusion of underrepresented groups, including women, mature-age workers, and those in rural and remote communities

The PC has recommended reviewing Occupational Entry Requirement (OER) that are excessive and to consider additional entry pathways beyond apprenticeships for trades. We emphasise that great care should be taken in any review of OER for the electrical industry, being a high-risk trade requiring strict supervision of apprentices.

We acknowledge that jurisdictional fragmentation in licensing has created inconsistent additional requirements across states and territories. These inconsistencies can impose unnecessary barriers and constrain workforce mobility for qualified electricians seeking to work interstate. The Commission's ongoing review of National Occupational Licensing (NOL) provides a valuable opportunity to establish consistent entry requirements (anchored in the Certificate III and four-year apprenticeship standard) across Australia.

Building Skills and Qualifications for a More Productive Workforce

Due to the high-risk nature of the electrical industry, it is essential that electrical workers are adequately trained. It is suggested Powering Skills Organisation, the relevant Jobs and Skills Council, should be involved in any review of the credit transfers, RPL processes or codification of decisions, in consultation with industry.

Information request 2.3 Recognition of Prior Learning (RPL) assessments

We also emphasise existing concerns in the electrical industry regarding unscrupulous providers issuing qualifications without delivering full training. The Productivity Commission has acknowledged this issue more broadly in its interim report, noting cases of fraudulent qualifications where individuals are "lured" or "misled" about the legitimacy of their training. For high-risk industries such as the electrical trade, the consequences are severe: inadequately trained workers present significant safety risks. Beyond safety, there are clear productivity impacts, as employers who unknowingly engage these workers are forced to rectify substandard work, whether prior to certification - or after faults are identified by another trade or customer, resulting in delays and unnecessary costs.

We have heard anecdotal accounts of RPL processes being very complex, difficult to navigate and understand, and often very costly with poor outcomes. Capped fees and regular audits of RPL outcomes should be considered.

Whilst beyond the scope of this consultation, we also note that the process for international qualified electricians to migrate to and work in Australia should be improved to encourage more skilled labour in Australia. This cohort of prospective employees has the potential to make a meaningful contribution to addressing the skills shortage.

Small Business Support – On the Job Training

Information Request 2.4 Financial Incentives for Training in Small and Medium Enterprises (SMEs) - What is the most effective way to encourage SMEs to increase work-related training? What lessons are there from past programs and policies?

Work-related training is already a core component of the electrical apprenticeship qualification, placing responsibility on employers to provide it. Despite their limited resources, small businesses are responsible for over 80% of apprentice training¹ which comes at a material cost and investment risk.

The skills shortage in the electrical industry is not driven by a lack of interested apprentices, but rather by insufficient places offered by businesses. MEA members report that training an apprentice can cost excess of \$200,000 (including unbillable training hours, course fees, and administration) with over 60% of these costs incurred in the first two years. Yet under existing [Priority Hiring Incentive Scheme](#), employers receive only \$5,000 compared to \$10,000 for apprentices who are not required to use this towards on-the-job costs such as tools.

The challenge for small businesses is further compounded by a common practice where larger companies (including those working on government projects) offer materially higher wages to apprentices when they enter their third and fourth years of training, or when they become trained electricians. This can be done to attract apprentices to meet government training targets.

¹Department of Transport and Planning “Government Response to the Parliamentary Inquiry into employers and contractors who refuse to pay their subcontractors for completed work” Victorian Government [October 2024], at 3

The *Australian Skills Guarantee Procurement Connected Policy* (PCP) prescribes a minimum target of 10% labour hours should be undertaken by an apprentice (including trainees). However, there is no requirement for these to be new entrants (i.e., first-year apprentices), or apprentices over trainees. As a result, we are informed it is not uncommon for large contractors to meet their obligations by recruiting more advanced apprentices (i.e. third and fourth year apprentices) from smaller firms, undermining workforce development and small business viability, or relying on trainees.

This practice not only discourages small businesses from taking on apprentices but also undermines broader workforce development efforts to address the electrical skills shortage as larger businesses are not contributing towards expanding the future talent pool.

This is particularly problematic in rural and remote areas, where larger contractors can recruit more advanced electrical apprentices from local employers to fulfil procurement requirements, leaving communities with fewer skilled workers for local projects.

Apprentices are at their least productive, and require the most supervision, during the first two years of apprenticeship, resulting in less productive hours by the supervising tradesperson as well. For small businesses to go through the early years of intensive training and supervision to then have the apprentice leave when more senior is disheartening and can result in businesses deciding not to take on apprentices in future years.

Given the central role of small businesses in training new apprentices, it is essential they receive stronger financial support to offset the costs and risks of taking them on.

MEA calls on the Government to strengthen its financial incentive scheme by increasing direct payments to small businesses and introducing additional incentives for supervisors. It is important to note this would not fund training that would have

occurred anyway; instead it would address a clear market failure by supporting greater training capacity, increasing apprentice commencements and completions, and unlocking one of the highest-return productivity investments in the construction sector - namely a skilled workforce.

While MEA would welcome the proposed tax credit for workplace training, we echo the Productivity Commission's acknowledgment that training costs are incurred upfront, whereas tax credits are only realised later. Available cashflow is critical for small businesses to which this delayed offset fails to provide timely relief.

MEA calls for the following actions:

- [Small Business and Supervisor Incentives](#) – Provide direct payments to small businesses and additional incentives for supervisors to encourage ongoing apprenticeship supervision and training. This could be linked to those businesses and supervisors that undertake supervisor training (as approved courses provided by registered providers but not limited to face-to-face training nor training provided by RTOs).
- [First Year Apprentice Requirements: Large Firms](#) – Amend the PCP to target 1st year apprentices. This would provide a net community benefit in light of future productivity and increase the prospective pool of talent as opposed to competing for existing apprentices.
- [Support for Training Providers with SME-Specific Training](#) – Provide support for providers of industry training that are approved / registered to provide short courses in a format suitable for sole traders and small business (including online with a learning outcome). MEA is an example of this – we are not an RTO but provide quality online training targeting SMEs.

What lessons are there from past programs and policies

Women in Electricity Pilot

While still in progress at the time of writing, a pilot 'Women in Electricity' project run by Collabaloop (a Queensland social enterprise focused on addressing culture in construction) in partnership with Energy Skills Queensland has engaged with female apprentices and employers in a hybrid approach using online tools and face-to-face engagement.

This pilot is different to other strategies due to its use of automated and regular data capture via online engagement platform and SMS, pushing relevant micro 'life skills' content and capture of trends via analysis of responses. This pilot has been capturing data across key metrics such as resilience, confidence and contextual stories to understand the real challenges faced in the field so they can be addressed with employers and more broadly across the industry. It is understood a report will be produced on completion of the pilot later in 2025.

Strategic Dialogue Series

The Department of Trade, Employment and Training (QLD) has recently instituted the Strategic Dialogue Series. MEA welcomes this forum and considers it an important part of identifying challenges and solutions for the sector.

However, there is no single solution and other activities are essential, including funding for development of non-accredited training and delivery to SMEs and their workforce.

What should be considered in determining an appropriate size of SMEs eligible for financial incentives for training? Should sole traders be eligible?

MEA submits that the criteria for determining a "small business employer" should be revised, with the Fair Work Commission's (FWC) current threshold of 15 employees increased to 20. This would include sole traders.

In practice, businesses with 15–20 employees have similar resources and profitability, yet those above the 15-employee threshold lose access to small business incentives despite lacking materially greater capacity to absorb the costs of hiring and training.

Also, the existing cap combined with meaningful financial support for small businesses may discourage employers with 15 employees from taking on additional workers, as doing so risks the loss of small business status and associated benefits. At a time of skills shortages, policy settings should actively encourage rather than deter businesses from expanding their training capacity.

Further, the cyclical nature of construction often requires employers to engage additional casual staff to meet the demands of short-term contracts. This means businesses can fluctuate above and below the 15-employee threshold, creating unnecessary administrative complexity and uncertainty.

For these reasons, MEA urges an increase in the small business employer threshold from 15 to 20 employees.

Which types or formats of training (for example, management or IT-related, short courses versus workshops) should be covered by financial incentives? How should training providers be vetted? What types of training would be most effective in increasing productivity in SMEs?

As on-the-job training is embedded within the qualification of construction trades and largely borne by employers, MEA recommends a dedicated training grant be provided directly to these employers to offset the full cost of training. This support is essential to prevent small businesses from being disincentivised to take on new apprentices due to high costs and the risks of poaching.

In the electrical sector, financial incentives should apply to trade skills, safety, compliance and business skills. Delivery should be permitted with technology (e.g.

online, virtual reality etc), to accommodate the difficulty faced by SMEs attending a training facility.

Training should not be limited to RTOs, nor should it apply to everyone. There should be a process of registration of training providers, requiring evidence of successful delivery of training targeted to SMEs. If the only requirement was to 'be an RTO' this could result in misaligned outcomes where some RTOs seek income, and rely on traditional delivery at the place of training, rather than focusing on outcomes for SMEs.

How and at what level should support for training be capped (per firm, per employee)? How can co-payment requirements be designed to reduce inefficiencies without disadvantaging small businesses?

Support should be provided on a per worker basis.

We recommend that incentives:

- Be paid directly to the employing business.
- Funding could be contingent on businesses demonstrating appropriate training and supervision standards.

What other criteria should be considered when determining eligibility for financial incentives?

Priority should be given to employers training in occupations facing acute skills shortage, such as the electrical trade, and to training delivered via technology and non-accredited training that can be delivered at times and places convenient for SMEs. In the electrical sector regular training is essential for safe and compliant work and the cost and time taken to train is a disincentive for SMEs, so it must be low-to-no cost and convenient.

CPD for electricians should also be required nationally as part of the occupational licence requirements. The CPD framework should permit online training / training delivered with technology (e.g. VR/AR), with learning outcomes, delivered by approved providers and not limited to RTOs or limited to face-to-face training. Victoria serves as an example where experience to date has resulted in unfair outcomes on sole traders and SMEs, particularly those in regions, by the need to attend an RTO in person, resulting in loss of income for that period.

Can the introduction of financial incentives for training in SMEs lead to increased risks of fraud or misuse? Have past measures identified significant fraud or misuse?

Financial incentives could be linked to evidence of training outcomes.

What other risks, complexities or unintended consequences should the Australian Government be aware of?

Administrative Burden

Member feedback is that the paperwork and administrative burden to obtain the existing Federal support of \$5,000 employer payment for taking on an apprentice is excessive and can be a cost-neutral exercise.

To ensure financial incentives achieve the intended impact, the Government should streamline the application and reporting process so that the benefits outweigh the administrative costs of accessing it.

What advisory or consultation services would most effectively support SMEs to increase their provision of work-related training? In what form should this support be made available or delivered?

There are various small business commissions and government agencies throughout Australia set up to assist SMEs. It is suggested these could be leveraged (with some additional resourcing) to provide advisory services in relation to training for SMEs.

What should be considered in deciding whether and how support services are publicly funded?

MEA submits that decisions on whether and how support services are publicly funded should be guided by three core considerations:

1. **Demonstrated Public Value** – Funding should be directed to services that deliver clear economic and social benefits.
2. **Industry Partnership** – Public funding should prioritise services delivered in partnership with qualified industry bodies that have the expertise to provide practical, targeted support. Associations such as MEA are well placed to deliver this, offering industry-led course content and ongoing support.
3. **Regulatory Alignment and Efficiency** – Support services should be designed to avoid duplication and streamline services.

Do Australian SMEs have persistent capability gaps, such as managerial capacity, digital competencies or any other critical skills, that an advisory or consultation service should prioritise?

SMEs generally lack the resources, and often expertise, to manage internal administrative functions such as finances, compliance reporting, and workplace relation matters. Frequent legislative changes compound this burden, making it difficult for small business operators to remain informed and adapt quickly.

Targeted support should therefore be provided to SMEs to assist with navigating regulatory obligations, including timely updates on legislative changes and practical advice on issues such as taxation, workplace health and safety, apprenticeship requirements and workplace relation matters.

Support services should also guide SMEs in identifying and applying for available grants, as many businesses are unaware of these opportunities or lack the capacity to manage the application process.

With ongoing tertiary education reforms in mind, what else can the Australian Government do to address the work-related training barriers individuals face?

Digital Training

Incorporating online training as well as options such as virtual reality (VR) into training delivery would further expand training capacity by reducing the reliance on physical facilities and trainers present in the classroom and enable workers to complete components of their training more quickly and flexibly.

How does low participation in work-related training impact different segments of the population, such as Aboriginal and Torres Strait Islander people, women, people with disabilities and workers in regional and remote areas?

Women

The energy sector remains heavily male-dominated, with approximately 83.5% of the workforce comprising men and a much lower rate of female participation among those 'on the tools'.² Women represent a significant pool of untapped talent that could help address the electrical industry's skills shortage and increase overall construction sector productivity by expanding the available labour supply.

MEA recommends the following policy initiatives to help address these challenges while avoiding market distortions and delivering measurable improvements in female participation rates:

- **Education** – Industry education for employers and employees on their obligations to report gender discrimination, bullying, or harassment in the

² Powering Skills Organisation [accessed on 31 July 2025]

workplace.

- **Support** - Targeted support for female apprentices and their supervisors through dedicated mentorship programs.
- **Career Pathways** - Increased career pathway options into electrotechnology, such as the proposed ATAR subject (see below), to overcome information gaps and broaden understanding of viable career paths for women.

Mature Age Apprentices

Mature-age apprentices present a viable and underutilised solution to the electrical industry's skills shortage. These individuals often bring greater life experience, stronger work ethic, and transferable skills (particularly when transitioning from related trades such as carpentry) that enable them to contribute productively from the outset. Compared to school-leaver apprentices, they frequently require less time to develop workplace readiness, allowing them to 'hit the ground running' and accelerate their progression to full productivity.

However, many potential mature-age apprentices are deterred from entering the industry due to the low wages, particularly when they have existing financial responsibilities. Small businesses, which train the bulk of electrical apprentices, often lack the resources to bridge this wage gap, despite the productivity advantages this cohort offers and their potential to transfer knowledge to younger apprentices.

Targeted mature-age wage subsidies for small businesses to incentivise both employers and prospective apprentices would assist in attracting more workers to the electrical sector. Such subsidies should be contingent on the creation of new apprenticeship positions to avoid market distortions and ensure funds are directed to increasing training capacity. By reducing the financial barriers for mature entrants and supporting small businesses in meeting their wage expectations, such a policy would unlock an experienced and motivated talent pool, increase apprenticeship

commencements and completions, and deliver faster returns on training investment, directly boosting industry productivity.

In addition, MEA would also support limited exceptions where a mature-age apprentice with a relevant construction trade qualification and workplace experience enters electrical training through a recognised prior learning (RPL) process (see below).

Rural and Remote Areas

Travel demands for prospective apprentices in rural and remote areas make it challenging to attract and retain skilled VET professionals, such as electricians. This shortage hinders productivity growth in regions outside major centres, causing these areas to lag in economic development. Construction projects in such regions are often subject to inflated costs due to the limited availability of a skilled workforce, with some projects facing significant cost premiums compared to metropolitan areas.

This challenge is further compounded by the issue of apprentice poaching. When large companies win fixed-term government projects in rural and remote areas, they have little incentive to recruit and train new apprentices for short-term projects, making it more attractive to lure partially trained apprentices away from small local employers.

For large-scale regional projects, workforce requirements should be forecast well in advance, with provisions to bring in migrant workers where additional capacity is needed, and with sufficient lead time to train them for the specific project. This will assist in reducing the 'poaching' of skilled workers from smaller businesses.

In addition, we reiterate our recommendation to integrate VR training into the qualification process, enabling rural and remote students to access some components in place, reducing the cost, time, and administrative burden of travelling to physical facilities (which will still be required, but ideally for less time). This we

anticipate this will enhance the attractiveness of the trade to this cohort.

What risks, complexities or unintended consequences should the Australian Government consider?

Employees / Qualified Electrical Workers Course Costs

Electricians are required to complete annual training to maintain their licence. In some jurisdictions, such as Tasmania and Victoria, Continuing Professional Development (CPD) is mandatory, while in others, annual courses such as CPR are required.

In practice, electrical contractors typically cover both the course fees for their employees and the wage costs incurred while employees attend training without generating billable hours. Passing these costs onto employees would make a business uncompetitive in attracting skilled labour, a risk that is detrimental during the current skills shortage.

MEA therefore requests government assistance to support small business employers in meeting these obligations and maintaining their role as responsible employers. MEA also supports the Productivity Commission's consideration of a potential training leave scheme, provided it is government-funded to offset the cost of unbillable hours.

Fit-for-Purpose Occupational Entry Regulations

What occupational entry regulations should be prioritised for review?

The electrical industry is a high-risk sector with deliberately high Occupational Entry Requirements (OER), including four years of training and completion of a Certificate III qualification. These safeguards are essential to ensure competency, uphold safety, protect workers and consumers, and maintain public confidence in the industry. Bypassing these requirements exposes individuals to potentially fatal risks, with the added danger that faults or poor workmanship may only become evident over time, further heightening the risk of unsuspecting injury or fatality. It is MEA's position that these existing entry requirements are fit for purpose, and any reform must place safety above cost efficiency.

While the electrical industry is experiencing a skills shortage, MEA does not generally support prioritising alternative entry pathways as a solution to the apprenticeship bottleneck. Instead, we urge the Government to focus on measures recommended earlier in this submission that safely maximises the progression of apprentices, such as enhanced financial incentives and first-year apprentice requirements for large firms.

There may be limited exceptions such as a shorter qualification for restricted work – e.g. some large clean energy projects. However, those restricted electrical workers would need to be restricted from carrying out any domestic or commercial electrical work, including on their own homes, as they have not received the necessary training.

Are there examples of requirements other than occupational entry regulations that overly limit entry into professions? How could these be addressed?

Supervision Ratios

Some jurisdictions are increasingly adopting risk-averse approaches to apprenticeship supervision. Within the past 24 months, New South Wales, Victoria, and the Northern Territory have tightened supervision ratios, including the introduction of 1:1 direct supervision requirement.

MEA members advise that apprentice competence and ability varies, and also that certain work can easily be undertaken with more than one apprentice while providing appropriate direct supervision (for example if, in a commercial fit-out where supervisor and apprentices are working in the same area within eye and earshot, a matter requires greater oversight other apprentices can stop work and watch while that occurs).

These changes limit employers' ability to take on apprentices by reducing available supervision capacity. As small businesses bear the bulk of apprenticeship training, restrictive requirements ultimately constrain workforce development due to the limited pool of qualified and willing supervisors.

MEA supports requirements for direct, general and broad supervision of apprentices, but does not believe strict ratios are necessary. Instead, MEA advocates for a greater focus on supervisor training and apprentice competency, rather than rigid, time-based supervision ratios. This would be combined with our earlier suggested targeted support.

MEA recommends a supervisor training course (recently introduced at no cost by TAFE Qld) to ensure qualified tradespeople have the skills not only to perform technical work, but also to effectively mentor, manage, and support apprentices. Supervisor training should cover communication, conflict resolution, providing constructive feedback, and balancing productivity with training responsibilities, as these are critical factors in improving apprentice retention and completion rates whilst overcoming the “accidental supervisor” problem.

How do occupational entry regulations uniquely impact segments of the population, such as Aboriginal and Torres Strait Islander people, women, mature-aged workers and people from culturally and linguistically diverse backgrounds?

Women

The Productivity Commission cites the NSW Productivity Commission’s 2011 conclusion that apprenticeships were historically designed around young male school leavers, leaving women and older cohorts with limited pathways into these occupations, contributing to ongoing skills shortages.³

As acknowledged earlier in this submission, women remain significantly underrepresented in the electrical industry and systemic changes are required to increase participation.

However, MEA does not consider the OER itself to be a barrier for women entering the electrical trade. With the exception of block courses, electrical apprenticeships are

³ NSW PC 2021, pg 97, cited in Productivity Commission *Building a Skilled and Adaptable Workforce Interim Report* “Australian Government” [2025], pg 67.

primarily 'on-the-job' training, designed to reflect the work of qualified electrical workers and to ensure safety and competency. Barriers to increased female commencements are broader cultural and structural issues that must be addressed across the construction industry in general; not by lowering and/or amending OER.

That said, mentorship is a critical factor in apprenticeship success, particularly for underrepresented and vulnerable cohorts. Expanding access to support tools for female apprentices would be a practical and effective measure to help overcome systemic barriers and increase female's experience during the apprenticeship.

Aside from regulatory impact assessments, what other policy instruments could Australian governments use to better address excessive occupational entry regulations?

MEA supports the Productivity Commission's recommendation that government departments collaborate closely with regulators when assessing occupational entry requirements and associated regulations. Government should also closely collaborate with Jobs and Skills Councils. Close industry consultation with stakeholders such as industry associations should also be a priority in this process.

With industry consultation on National Occupational Licensing (NOL) for the electrical trade underway, this presents a timely opportunity to review and align requirements for the sector (noting a minimum of Certificate III and 4 years apprentice training is recommended to still be required). The NOL review presents an opportunity to assess licensing eligibility rules across Australia to identify and consistently implement the most suitable set of eligibility rules for all Australian electrical workers. This balanced approach would deliver a safe and efficient national licensing framework that balances worker mobility and safety while presenting an opportunity to cut out unnecessarily onerous requirements in some jurisdictions.

What alternative approaches to apprenticeships should governments consider to improve pathways into trade-based occupations, while maintaining quality standards? And what are the potential implications of alternative pathways?

Outcomes Based

The Productivity Commission has proposed alternatives to OER where appropriate, including “stronger regulation of occupational outputs or outcomes rather than occupational entry,” with examples such as electrical wiring rules, building inspections, and aged care quality standards. MEA is concerned by this suggestion. The electrical industry has deliberately high entry barriers as it is a high-risk trade where fatal risks can occur during the wiring phase.

Each jurisdiction has legislation defining what constitutes extra-low voltage (ELV) work which can be undertaken without a licence. In addition, jurisdictions carve out Restricted Electrical Licences (RELs) for specialised trades, for example, plumbers with a REL may connect or disconnect electrical components within their scope. These hierarchies exist to manage safety risks. Electrical work should never be performed solely on the basis of outcome-based assessments. The suggestion that relaxed OER is acceptable if wiring is deemed compliant fails to address the inherent dangers in installing that wiring.

Front Loading

Member feedback indicates front-loading the Certificate III would prevent students from applying theoretical learning to practical experience in a timely way, ultimately undermining both the efficiency of training and the competence of apprentices. However, completion of a Certificate II and credit transfer for the Certificate III is a useful avenue.

Expand Non-Apprenticeship Pathway

MEA accepts that in some cases where an individual has already completed a full trade qualification (e.g. as a refrigeration and air conditioning mechanic), it may be

appropriate to credit and fast-track to electrical qualification through an independent assessment. However, these circumstances must remain the exception and be subject to strict oversight.

How can Australian governments and industries facilitate and incentivise greater use of accelerated apprenticeships?

MEA does not support fast-tracking the electrical OER except in very limited circumstances. The four-year apprenticeship is essential to cover the technical learning and strict safety requirements needed to ensure competence and protect community safety. Shortening this pathway would risk unsafe and substandard electrical work.

How can the Australian Government best support state and territory governments in reforming occupational entry regulations?

NOL

MEA acknowledges jurisdictional inefficiencies in the occupational entry pathway for licensed electrical workers seeking to operate interstate. This means it can be easier to obtain a licence in some states than in others, despite all applicants holding the same core Certificate III. In addition, it hinders free-flowing workforce mobility of suitable qualified electricians across the country to where workforce demand is greatest. The result is added financial and administrative burdens for workers seeking to move across borders and reduced productivity for the country.

MEA supports the introduction of a national occupational licensing (NOL) eligibility law for electrical workers. We prefer a model where all states and territories agree on one set of eligibility requirements for electrical licensing, while each jurisdiction retains control over administration, compliance, and enforcement. This model strikes the right balance between national consistency and local oversight, without compromising jurisdictional authority.

A single set of high-standard licensing requirements nationwide would streamline processes and improve safety and quality outcomes, particularly in jurisdictions where current standards are lower.

There are multiple “mobility” schemes (Mutual Recognition (MR), Automatic Mutual Recognition (AMR), and the East Coast Electricians Scheme (ECES)) seeking to address interstate workforce mobility, however they are highly fragmented and not working as intended, lacking cohesion and creating confusion. Licensed electrical workers may be uncertain about where they can work and under what conditions, and in jurisdictions where AMR or ECES do not apply, they face increased costs and administrative burdens.

These inconsistencies result in duplicated licence application and maintenance processes, delays to project mobilisation, lower standards of skill or experience for some electrical workers, and underutilisation of available labour.

Greater interstate mobility for licensed electrical workers under a NOL eligibility framework would deliver measurable productivity gains for Australia by:

- Enabling skilled employees to move freely between jurisdictions to take up higher paid opportunities, improving wage-driven labour allocation.
- Allowing businesses to rapidly fill temporary workforce gaps with comfort that all workers have met the same eligibility requirements.
- Enabling workers to shift to areas with higher demand during local downturns.

NOL would maintain high standards, strengthen training quality, and enable regulators to monitor and enforce compliance more effectively. NOL should also include the following:

- **Introduction of Nationally Consistent CPD Requirements for Licensed Electrical Workers**

This would ensure electrical workers have current knowledge of all relevant rules and regulations and maintain their knowledge and understanding of inspection and testing requirements. In addition, CPD would ensure electricians obtain requisite knowledge of new technologies impacting their work. MEA advocates for a framework whereby registered entities (not limited to RTOs) can deliver free and low-cost training modules with online options (with learning outcomes), and VR training for practical requirements, with annual review of mandatory topics to ensure up-to-date knowledge of regulatory changes, technological advancements and areas with highest defect rates. A CPD framework could incorporate jurisdictional differences for operating a business to ensure contractors are aware of their obligations in different states and territories.

- **Improved Training and Licensing Alignment**

NOL should require that RTO assessment standards are directly tied to licensing requirements nationwide, with consistent auditing and enforcement. This would lift training quality across the board and ensure that new entrants are assessed against the same high standard, regardless of where they trained.

- **Enhanced Rigour in the Qualification Assessment Process**

MEA advocates for a national suite of learning and assessment resources to be provided for use by RTOs. This will assist with more consistent training outcomes across Australia. MEA notes Energy Skills Australia has developed some resources which could be reviewed and considered by Powering Skills Organisation (the national jobs and skills council for the energy sector).

- **Unified Enforcement and Compliance**

National eligibility rules would need to include a requirement that any suspension or cancellation of licence in one jurisdiction is applied across all. It would be necessary to make disciplinary actions, licence suspensions, and

compliance records visible to all regulators in a timely manner. This would close the current loopholes under AMR, where enforcement of misconduct across state lines is often non-existent, and prevent poor practices from simply being relocated to another jurisdiction.

Restricted Electrical Licences

Restricted electrical licences vary across jurisdictions, particularly in relation to fire, air conditioning, and plumbing and gas work. MEA's position is that electricians should be eligible to hold a restricted licence under all three trades; something which could be achieved under the NOL eligibility framework. This would streamline entry requirements for electrical workers across the country, reduce the number of trades required on-site, lower costs, time, and labour pressures at a time of high demand, and appropriately reduce the OER for competent workers to conduct specific tasks.

It is also worth noting that the electrical trade already permits these related trades to undertake certain tasks within the electrical scope under restricted electrical licences.

Further detail is provided below.



Air Conditioning and Refrigeration

We believe installation, maintenance and repair of air conditioning would suit a national harmonised licensing model. Currently, electricians in some jurisdictions are able to install split system air conditioning units less than 18kw provided they also have the 'ARCTick' accreditation. In other jurisdictions, an electrician must complete another full qualification and obtain an additional licence to install a split system air conditioner even if they hold the ARCTick qualification.

Even more concerning, in South Australia there is current advocacy for air conditioning and refrigeration mechanics to be able to undertake the electrical installation work involving the initial connection of air conditioning units, which is normally restricted to fully licensed electrical workers and very dangerous for

trades who are not qualified electricians to undertake full connections (as opposed to a restricted licence which would allow disconnection/re-connection as part of repair or maintenance, but does not provide for any work at a switchboard or for the initial connection from the local isolator).

National licensing eligibility rules would prevent some states permitting non-electricians to undertake electrical work and would ensure consistency of work is able to be permitted by electrical workers and air conditioning and refrigeration workers.



Plumbing and Gas Fittings

In some jurisdictions, licensed electricians can obtain a restricted plumbing licence to carry out like-for-like hot water system and gas appliance (e.g. stove) replacements. However, this restricted licence is not nationally consistent.

This fragmented regulatory model undermines workforce mobility and drives up costs for consumers. As with air conditioning and refrigeration licensing, MEA urges the adoption of a nationally harmonised restricted plumbing and gas licence, a reform that supports safety, compliance, and economic efficiency.



Fire Protection

Another area impacting multiple trades is fire protection work. We consider this work suitable for national occupational licensing as it is a high-risk trade with inconsistent requirements around Australia.

There is also a lack of clarity whether electricians can perform inspection and testing of emergency and exit lighting in jurisdictions with fire protection licensing or accreditation requirements, and debate as to the necessary training for a qualified electrician to perform maintenance and testing on alarm and detection systems.

School Student Outcomes

ATAR Subject

While the interim report focuses equitable learning opportunities, improved educational outcomes, and greater support for teachers, it overlooks the broader opportunity to expand the school curriculum to better include Vocational Education and Training (VET) pathways and the students who would benefit from them.

The current curriculum is heavily ATAR-focused, which may disengage students not interested in pursuing university pathways. The existing curriculum fosters negative perceptions of Vocational Education and Training (VET) trades, positioning them as inferior career options and creating a cycle of diminished interest among prospective students. In addition, it forces students to decide the career pathway (higher education -vs- VET) at an early age.

To overcome these problems and address career pathway uncertainty, MEA proposes redesigning the existing senior secondary **Engineering** subject via a national agreement through the Education Ministers Meeting of Australian, state and territory education ministers. This would boost student engagement in VET trade careers, improve career awareness, and broaden exposure to VET pathways. The current course can be revitalised by integrating contemporary, industry-relevant content, particularly relating to sustainable energy and technology while leveraging existing curriculum frameworks to minimise cost and avoid market distortions.

The proposed subject would be an ATAR-scaled senior subject rebranded, for example as a 'sustainable technologies' subject or similar and would incorporate practical, industry-aligned topics including sustainable energy and electrotechnology, as well as use of technology in civil, mechanical and environmental engineering. The energy semester could incorporate elements of Certificate II in Electrotechnology and Certificate II in Sustainable Energy. The subject would include a sufficient level of mathematics to support progression into a Certificate III in Electrotechnology.

This approach broadens the curriculum to give greater recognition to VET trades, increasing student exposure to the sector. It is likely to boost engagement among those not considering a career in energy or construction and improve overall school learning outcomes. It also indirectly addresses incomplete or conflicting career information by giving students, parents, and teachers a clear, structured pathway from school to VET trades, such as the electrotechnology sector. It would also broaden the appeal of the subject to a larger and more diverse cohort, including female students and those undecided about their future careers.

In addition, employers who look for apprentice applicants who have completed a Certificate II could be educated to also give consideration to applicants who have completed this senior schooling subject. Early exposure to energy-related fields signals to future employers that students have developed relevant foundational knowledge and had exposure to the subject. It would also attract more students, particularly women, into the energy and engineering sectors, ultimately contributing to a better-matched and more productive construction workforce.

MEA also encourages promotion of trades careers to schoolchildren from early primary school, ensuring imagery of both men and women in construction roles.

Conclusion

Australia's electrical industry is navigating a critical skills shortage at a time of unprecedented demand from electrification, a construction boom, and major government projects such as the Queensland Olympics. While reform is needed, the pathway to becoming a licensed electrician must remain firmly anchored in a four-year apprenticeship and Certificate III qualification, with RPL limited to exceptional and well-regulated circumstances.

Support for SMEs to train apprentices and workers is essential, and must not be limited to training offered by RTOs or in-person training. Flexibility in delivery of quality training designed for SMEs and their workforce is essential.

MEA looks forward to the Productivity Commission's final recommendations, and we are available for further discussion on workforce development in the electrical industry.