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**National Competition Policy Analysis 2025
Productivity Commission**

To whom it may concern,

The Refrigeration and Air Conditioning Contractors Association (RACCA) serves as the preeminent representative body for Australia's refrigeration and air conditioning (RAC) contracting sector. RACCA advocates on behalf of a diverse membership that includes employers, entrepreneurs, and technical practitioners, delivering an extensive portfolio of services designed to foster operational excellence and business sustainability. The association actively engages with governmental entities, regulatory agencies, and industry stakeholders to ensure that the perspectives and needs of contractors are effectively communicated and addressed. Moreover, RACCA plays a pivotal role in steering the strategic direction of the industry by addressing critical matters such as regulatory frameworks, professional licensing, workforce development, skills shortages, industrial relations, and occupational health and safety.

The RAC profession underpins numerous essential systems integral to maintaining public health, safety, and societal well-being. Its applications span healthcare—where precise temperature control is vital for storing vaccines and pharmaceuticals—to food safety, through cold chain logistics, and indoor environmental quality in residential, commercial, and industrial settings, where climate control systems ensure comfort and air purity.

RACCA recognises the potential cross-sectoral benefits of implementing a National Occupational Licensing (NOL) Scheme; however, its main expertise resides specifically within the RAC industry. An effective pathway forward would necessitate a collaborative approach involving all relevant stakeholders to achieve consensus and secure broad-based support for a national licensing framework. Based on RACCA's analysis, the prior failure of the National Occupational Licensing Authority (NOLA) can be largely attributed to a lack of alignment within the electrical trade sector



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regarding the implementation structure. Encouragingly, there now appears to be increased receptiveness within that industry towards a revised NOL initiative.

RACCA contends that the NOL framework and Automatic Mutual Recognition (AMR) are complementary mechanisms that, if deployed in tandem, could streamline licensing processes and enhance labour mobility. A meaningful benchmark of the NOL's effectiveness would be the establishment of a nationally consistent competency standard that ensures licensees deliver work of exemplary quality.

The RAC sector comprises a committed cohort of professionals actively engaged in the development and refinement of technical standards through a variety of industry associations. RACCA is confident that these collaborative efforts are effectively serving the industry's needs.

The adoption of a unified NOL applicable across all states and territories would yield significant operational efficiencies, enabling businesses to undertake cross-jurisdictional work without administrative impediments. Of particular relevance is the industry's use of the Restricted Electrical Licence (REL), which RACCA asserts should be aligned more closely with the competencies imparted through industry-specific training. Through occupational licensing, competencies would be monitored, and through having a competent workforce, productivity gains would be generated.

Currently, REL-holding refrigeration mechanics are precluded from performing certain tasks despite possessing the requisite skills and training. Permitting these professionals to execute such tasks autonomously—without requiring the involvement of a fully licensed electrician—would deliver cost savings and greater service efficiency for end users.

Licensing of the RAC industry is essential as it allows for only competent tradesperson to work on a RAC system. These systems need the expertise to be able to service, maintain, and install. Also, a RAC system works with hazardous substances that work at high pressure and flammability.



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The RAC industry already has a National Environmental Licence that requires all users and purchasers of controlled refrigerant to hold. This licence is run by Australian Refrigeration Council (ARC) and could be a vehicle to administer a NOL.

WorldSkills, a globally recognised organisation promoting excellence in vocational education and training, is fully supported by the RAC industry. During the World Skills competition, they are expecting all mechanics from around the world to carry out installation of refrigeration systems including all the electrics from the load side of the isolator. Therefore, allowing the mechanic to wire up the complete system.

In conclusion, RACCA would fully support the implementation of NOL with the licence for the RAC industry. This licence must also cover the electrical work that a refrigeration mechanic has been trained to work on.

Should you have any questions, please feel free to reach out.

Thank you.

Best Regards,

Kevin O'Shea

President of RACCA Australia