



National office | national electrical and communications association
Level 3, 100 Dorcas Street South Melbourne 3205 Australia
telephone +61 3 9645 5566 facsimile +61 3 9645 5577
email necanat@neca.asn.au

30 April 2004

The Productivity Commission
PO Box 80
BELCONNEN ACT 2616

Dear Sir

Re: Study into Reform of Building Regulation

The following comments are submitted on behalf of the National Electrical and Communications Association. The Association represents the commercial, technical and human resource interests and its 6000 contracting business membership Australia wide. This sector turnover is \$5.1 billion. The NECA membership is representative of 90% of the electrical communications installation work in the country.

The sector employs 50,000 skilled workers which represent 2 of every 3 licensed electrical tradesmen and is responsible for the employment and training of 3 of every 4 apprentices in the technology.

NECA's interest for the purpose of the Productivity Commission Issues Paper regarding Reform of Building Regulation is restricted to:
comments at page 17.

- i. *"While recognising the existence of a national standard and uniform wiring regulations, the Laver review indicated there was scope for adopting a national code for electricity connection and metering in buildings."*
and
- ii. *The efficiency of the electrical sector.*

We make comment noting that the review of the Australian Building Codes Board, February 2000 noted at recommendation 5.

"A consistent approach to electrical regulations is not an issue for the ABCB or BCA at this stage. The Commonwealth Minister should write of the Electrical Regulatory Authorities Council with a request that the Council address the question of adopting a National Code for electrical connection and metering in buildings."

It is the NECA view that building regulation should not be extended to embrace the electrical and communications sectors beyond its present coverage. The reasons submitted in support of this position are:

1. The work and regulation covering the electrical and communication sector pervades many industries. Existing regulation covering the sectors accommodates the breadth of coverage and adequately meets the requirements of each sector while ensuring safety in the use and application of these products.
2. The primary outcome of Regulation must be that it meets the objectives of the regulation without being an unnecessary impediment to the efficient conduct of business. It is our view that to transfer responsibility for electrical and communications Regulation to the ABCB would create an impediment to the achievement of this objective.
3. The electrical and communications sectors are successfully achieving uniform regulation across Australia and harmonisation with international standards
 - 3.1 For the electrical sector, there already exists uniform electrical licensing with mutual recognition.
 - 3.2 Standards Australia are active participants in the International Electro technical Committees and they work to ensure harmonisation of Australian technical standards with international standards where appropriate and practicable.
 - 3.3 Regulation for voice and data communications installers is governed by the Australian Communications Authority under the authority of the Telecommunications Act. This is Federal Legislation and Regulation.
 - 3.4 All technical standards for the communications sector are required to mirror IEC (Europe) and TIA (US) standards except where not possible.

NECA is concerned that an attitude of ambivalence has crept into the Regulators commitment to national uniformity and harmonisation. This is an unacceptable position and will be raised at a meeting with ERAC on 27 May. If the outcomes of this meeting do not reinforce in an acceptable manner the commitment to national uniformity, the industry will be required to review its commitment to the current system of the managing Regulation.

The industry has previously expressed its view about the benefits of rationalization of the management structure for electrical regulation. Eight jurisdictions is cumbersome, expensive and we would consider unnecessary.

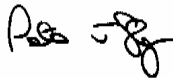
Having made this observation, it is not considered that positioning these regulators under the ABCB would facilitate reform or efficiency. The electrical and communications regulation is integrally linked to occupational licensing, skills development programs and worker classifications under the industrial agreements. The industrial arrangements are with the electrical divisions of the CEPU. Each of these elements apply across all sectors and would be adversely affected if linked to building codes and regulations.

Summary

NECA supports the concept for Regulation embraced in the ten objectives of the IGA on building reform regulation, particularly consistency, cost effectiveness, performance based, health and safety, promotion of industry self regulation, transparency and coordination. It seeks these outcomes from the regulation covering the electrical and communications sector. **However and importantly, we do not believe these outcomes are achieved by extending responsibility to the ABCB to embrace the electrical and communications sector.**

We are pleased to provide any further information that would assist in your review.

Yours Sincerely

A handwritten signature in black ink, appearing to read 'Peter Glynn', with a stylized flourish at the end.

PETER GLYNN
Secretary