

13<sup>th</sup> April, 2018

## SUBMISSION OF THE ELECTRICAL TRADES UNION OF WESTERN AUSTRALIA

To The

E.R.A. INQUIRY INTO REFORM OF BUSINESS LICENSING IN WESTERN AUSTRALIA.

Dear Sir/Madam

Licensing of Electrical operatives both as workers and business Electrical contractors is an essential regulation.

The safety hazards of electrical distribution and installations can never be entirely removed.

The distribution of, the Installation of, the maintenance of and the use of electricity needs to be efficiently managed to minimise the potential harm.

Electricity is extensively regulated by way of Legislation, Regulation and AS-NZS Standards.

Operatives are required to meticulously comply with a myriad of regulation as they perform their work and business, error or non-compliance by an operative can result in terrible consequences such as damage/loss of property or major /severe injury including death.

Licensing, supported by an efficient regulatory administration utilising an inspection regime and a statutory board of industry stake holders selected directly by the relevant Minister of the Crown is considered the best known method of maximising compliance and safety.

Licensees understand and respect the risk of their non-compliance or loss of competence could likely result in the temporary or permanent loss of their license removing the capacity to operate and earn a living in that electrical vocation.

The Australian electrical licensing system is well respected by the Australian public and industry and the Electricity industry worldwide.

The existence and retention of an effective Electrical license system utilising the existing western Australian Electricity (Licensing) Regulations 1991 which identifies the fundamental rules of electrical Licensing in WA and establishes the Electrical Licensing Board best enables protection and safety of domestic, commercial and industrial users of electricity.

The Electrical License Board is compelled by the Regulations to ensure that the objectives of the regulations are being met and any person seeking to be engaged as electrical workers in the electricity industry in WA is a fit and proper person including practicable skilled competence and technical knowledge to a standard entitling them to a License.

The License Board consults with educators and industry stake holders to determine training and skills essential to work safely in the industry. Persons undertaking this training must do so by way of indentured apprenticeship. There are 55 criteria deemed essential skills and knowledge within the training curriculum required to obtain an electricians license.

The electricians Trade training is the only trade which requires an additional level of final examination (Capstone exam) confirming competence and to become eligible to obtain a license to practice in the trade.

As this training involves a minimum of three years hands on practice in the workplace working alongside and supervised by licensed tradespersons a training license is required for those undertaking this apprenticeship.

Where persons professing to be skilled electrical workers are entering the state from abroad or interstate seeking employment in work which is deemed to require the standard of West Australian trained electrical workers to safely perform that work, they must present themselves to examination of their skills by practicable demonstration and evidence of academic qualification with a minimum of 5 years trade practice in the field so to qualify to hold a license to operate.

Where this involves persons from elsewhere in Australia or New Zealand the board is assisted by a regulated Mutual Recognition matrix.

Mutual Recognition forms an essential link with all other Australian States and Territories and NZ, it recognises that while WA has a State Legislated Electrical License each and every other jurisdiction also has similar Legislation establishing State Electrical Licensing systems regulating Electrical Workers and Contractors.

There are some differences between jurisdictions but fundamentally they are very similar. To substantially alter the Western Australian electrical license independent of other jurisdictions would cause substantial disruption to the safety and regulation of electrical work nationally.

Any removal of electrical Licensing from Western Australia would need to be replaced by some other competent regulatory devices and administrations to prevent unsafe or incompetent persons operating in WA Electrical industry.

West Australian trained Electrical trades people no longer holding a Western Australian electrical License could not satisfy Mutual Recognition if seeking to operate in another Australian State or NZ.

Industry and the community at large respect the Electrical Licensing system and regard the holding of a License by an operative as proof of qualification and competence. Community members and Industry participants, be they persons managing the workplace or workers in the workplace, derive confidence in the knowledge that the person performing electrical work on their home or installation is the holder of a Western Australian electrical license.

Society relies on the Electrical License regime to be efficient and thorough, to apply a discipline providing the community a high level of safety in the distribution, installation, servicing and use of the Electricity.

There is no sensible or reasonable logic to remove or substantially alter the West Australian Electrical license regulation independent of other jurisdictions.

At or about 2013/2015 all state and national regulators concerned with the electricity industry met at the direction of COAG in an attempt to replace the separate State License Systems with a National Electrical License System, with all the best of intentions and the spending of much resources an agreed replacement of the present structure could not be reached.

It is the electrical Trades Unions contention that the basic "Regulatory tests" are met by the present system of Electrical Licensing.

The core rules of the Licensing Regulation and its requirements are set out in the "Electricity (Licensing) Regulations 1991".

Electrical Licensing benefits the community and Industry as a whole, providing safer Electrical supply and usage than that which would be provided in the absence of such Licensing regulation.

The benefits far outweigh the costs of administration and other resource expenditure or any perceived restriction of trade.

It is inconceivable that the supply and use of electricity in the community would be unregulated; therefore administration and compliance costs would be present whatever system of regulation is in place.

The principle objective of the licensing regulation is to provide safety from the hazards of electricity and electrical work to the community at large. In addition the objective is to assure the community by demonstration that the system actually provides its principle objective.

The present electrical License system has the confidence and support of the West Australian community including Industry.

The current structure requires Holders of Licenses to pay a license fee initially and each time the license is renewed, presently each five years. The ETU WA understands the administration costs are met by these fees.

Considering the method of meeting costs. The biggest benefactor of the electrical license system is the community end users of electricity. Not those who hold the licenses. Therefore it would not be unreasonable for the Public purse to assist the administration of electrical licenses financially if it became necessary.

The Electrical License restricts persons operating in the Electrical Industry. It is not a restriction of trade.

The capacity to work in the Electrical industry performing work requiring an electrical License is available to everyone eligible to work in Australia regardless of gender, religion, age, ethnicity or sexual orientation.

The license required to operate in the industry is achieved by the holding and demonstration of academic and practical skills, obtaining a competence to a level where work can be performed safely in the chosen electrical classification.

That classification may be apprentice, a trade or calling requiring a restricted license, an electrical fitter, an electrician or an electrical Contractor.

Many persons have achieved the academic/skill competence to satisfy the Western Australian Electrical licence requirements including Australian born school leavers, interstate persons visiting or transferring to WA, new emigrants from all corners of the globe, international visa holders and even tourists.

The statistics identify the numbers, who have achieved the standards to qualify for the WA electrical licenses presently at or about,

|                        |        |
|------------------------|--------|
| Electricians License   | 39,730 |
| Electrical Contractors | 5,656  |
| Apprentices            | 3,554  |
| Restricted Licenses    | 4,227  |

These skills and competency requirements may be considered an unreasonable restriction by some but the objectives of the licensing Legislation cannot be achieved without applying these competency standards.

The **inquiry** asks those making submission to identify where they consider improvements may be achieved.

The electrical Trades Union supported the concept of a National Electrical License replacing the state system.

There was no National outcome nor any agreed model or agreed method of administering /financing from the previous attempts to achieve this. Never the less the ETU WA would welcome another attempt at a National Consultation with all stake holders.

The ETU WA would support consultation with stake holders to introduce a method of retesting of Electrical License holders for competence in skills and knowledge required for safe work. To be conducted at regular intervals possibly when renewing the term of license.

The ETU WA would support a change to the conditions applying to Restricted Electrical Licenses (other than those Restricted Electrical Licenses required by Trades to perform the full range of their Trade curriculum. The change would require the License only enable the holder to perform such allowable electrical work to be performed while they continue to be employed/engaged on the same work by that same employer who initially required and supported the license application.

Yours sincerely



Peter Carter  
State Secretary WA Branch  
Electrical trades Union