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Deregulation Taskforce Department of the Prime Minister and Cabinet PO Box 6500 Canberra ACT 2600

Online submission: <u>www.pmc.gov.au/domestic-policy/deregulation-taskforce</u> Email: AMRconsultation@treasury.qld.gov.au

To Deregulation Taskforce

Re Automatic Mutual Recognition of Occupational Registrations: Exposure Draft Legislation

1. Introduction

1.1 The Motor Trades Association – Queensland (MTA Queensland or The Association) submits views pertaining to the Deregulation Taskforce's Automatic Mutual Recognition of Occupational Registrations: Exposure Draft Legislation consultation paper (the Paper or the draft Legislation) developed in collaboration with State and Territory governments MTA Queensland's comments are confined to the Bill which relate to the interests of the Queensland's automotive value chain.

1.2 The Association recognises the intent of this proposed legislative reform to reduce unnecessary and inefficient regulatory differences that impede labour and business movement between jurisdictions and remove the requirement for licensees to apply for multiple licences for the same designation in different states and territories and operate across jurisdictions. Ideally, it will enable working nationally easier, less expensive and promote the mobility of licensees between jurisdictions.

1.3 Estimates by PwC indicate substantial benefits from this reform. It assessed the AMR scheme could lead to an additional \$2.4 billion in economic activity over ten years as a result of savings to workers and businesses, productivity improvements and extra surge capacity in response to natural disasters. Over 160,000 workers would benefit, including 44,000 people who will work interstate that would not otherwise have done so.

1.4 The Association supports the purpose of the draft Legislation 'to allow a person who is licenced or registered for an occupation in one jurisdiction to be considered registered to perform the same activities in another jurisdiction, without the need for further application processes or additional registration fees.'

Motor Trades Association Queensland

1.5 In supporting the draft legislation, the Association notes the Queensland Government's 11 December 2020 media statement supporting 'common sense mutual recognition' and reserving 'its right to veto the operation on some or all provisions of automatic mutual recognition to ensure community safety and the high standards of Queensland's occupational licensing.'

1.6 The 17 December 2020 Intergovernmental Agreement on the AMR of Occupational Registration 'allows Queensland to withdraw its participation in the scheme in whole or in part.' While we do appreciate the importance of protecting high standards, this type of jurisdiction specific response, if adopted by all states has the potential to undermine any benefits from the reform. As a priority after the legislation is approved work needs to be prioritised to identify any shortcomings in jurisdictional licensing standards.

1.7 The Association notes the Queensland Government's stance is reflected in Section 42R and 42RA of the draft Legislation.

2. Principle

2.1 The Association, supports the new mutual recognition principle (Section 42B) that a person who is registered for an occupation in their home state is entitled to carry on those activities authorised under their home state registration in a second state. The exceptions set out in the Bill (42B (2) (a) and (b)) are noted.

2.2 This principle is to be 'operationalised through automatic deemed registration' which provides for a person who is registered for an occupation in their home state to be taken to be registered in the second state for the purposes of carrying on those activities permitted under their home state registration.

2.3 The draft Legislation defines a person who is registered to include a person who holds a licence, approval, admission, certification, or any other authorisation under a law of the State to carry on the occupation.

3. Automatic Deemed Registration (ADR)

3.1 A central element of the Bill (42 A – 42E) is the 'concept of a home state, taken to be a person's primary place of residence or their primary place of work, to enable a person who is registered in their home state to be entitled to ADR in a second state.' The Paper states that the entitlement, whilst automatic, can be conditional on the fulfillment of a simple notification requirement (should the second state decide). And further: 'A registered person looking to carry on activities under ADR in a second state will notionally not be required to provide any information to the local regulator before starting work.'

3.2 MTA Queensland supports the requirement for licensees to notify the second states that they intend working in. Concerns have been expressed with the open-ended approach to an individual's authority having met requirements in one jurisdiction to work in a second state without some local registration. Within the automotive framework, regardless of the registered licensing/certificate in the home state there are fears of possible misconduct or inappropriate practices going undetected by a licensee in the second state without local registration. In such circumstances, without appropriate notification, the state-based regulator would be unaware of who was working locally effectively undermining a second state's regulatory operation. Without an appropriate notification framework, there is a risk that home state regulatory decisions may not automatically flow on a second state's operations.

3.3 MTA Queensland supports a strong compliance system that protects consumers and legitimate businesses from unlawful and backyard practices in the motoring industry. With the right sharing of information, regulators should be able to quickly detect breaches wherever they take place.

4. Equivalent Occupation

4.1 The Association notes Part 3 of the draft Legislation, which 'provides for individuals who are registered for an occupation in one State to be registered for an equivalent occupation, and carry on the activities of that occupation, in a second State. Ministers from two or more States may determine which occupations are equivalent between their States.'

5. Occupation Approvals/ Registrations

We understand there are a number of transport related approvals/registrations for Approved Inspection Stations (Operator Accreditation Holders); tow truck licence holders; and Q-Rider providers that may be outside of the proposed AMR scheme.

5.1 Queensland's used Motor Dealers and Salespersons are licensed under the Motor Dealers and Chattel Auctioneers Act 2014 and the Motor Dealer and Auctioneers Regulation 2014. The registration certificate/occupational licence allows a motor dealer wrecker or salesperson to obtain used motor vehicles, in parts or whole, to sell as parts and sell acquired used motor vehicles as parts. A licence defines the need to obtain recognition/certification and registration to undertake this business activity which includes undergoing criminal history check. Under current mutual recognition legislation, an individual may be eligible to hold a comparable licence with another Australian jurisdiction.

5.1.1 When the Tow Truck Act 1973 was amended in 2018, the policy objective substantially addressed issues regarding property towing. Certified tow truck drivers and certified tow truck assistants must comply with strict requirements. It also clarified that a person's whole criminal history may be considered when determining whether to grant a licence or certificate and whether a person is an appropriate person to continue to hold a licence or certificate.

5.1.2 Certified truck drivers and tow truck operators in the Australian States and the Australian Capital Territory have legislative and regulatory obligations whilst, in the Northern Territory a Code of Practice applies. Where material shortcomings do exist in a jurisdiction's licencing standards, other states will reserve the right to not accept mutual recognition notifications. This imbalance in standards may need national attention as a priority.

5.1.3 In terms of the existing mutual recognition scheme, it is noted that a current New Zealand driver licence with a vehicle recovery endorsement may be recognised and transferred to the equivalent Queensland Tow Truck Driver Certificate for the same vehicle classes.

5.1.4 The Transport Operations (Road Use Management- Accreditation and other Provisions) Regulation 2015 includes the functions, requirements, and obligations for Rider Trainer accreditation within its provisions. To secure accreditation under this regulation strict criteria applies.

5.1.5 Under the existing mutual recognition provisions, in 2015, First Ministers in all jurisdictions signed A Mutual Recognition (Equivalence of Driving Property Occupations) Declaration which includes Rider Trainers as a licensed occupation.

5.1.6 We understand under the existing Mutual Recognition scheme applications to trade in a second state have been low.

6. Harmonisation

6.1 The harmonisation of state and territory legislation pertaining to registered licensing occupations would be a considerable undertaking. However, implementation of this legislation should be considered as a part of a broader framework. To mitigate the risk of states not accepting mutual recognition applications because of quality concerns, after implementation of the legislation there will be considerable value in

identifying the occupational licenses where there is cross jurisdictional support (Ministerial Declarations) to harmonise.

7. Conclusion

The Association, is supportive of the draft Legislation and notes the Queensland Government's reservation 'to veto the operation on some or all provisions of automatic mutual recognition to ensure community safety and the high standards of Queensland's occupational licensing.'

8. The MTA Queensland background

8.1 The MTA Queensland is the peak organisation in the State representing the specific interests of businesses in the retail, repair and service sector of Queensland's automotive industry located in the State.

8.2 There are some 15,000 automotive value chain businesses employing approximately 88,500 persons generating in excess of \$20 billion annually. It is an industrial association of employers incorporated pursuant to the Fair Work (Registered Organisations) Act 2009. The Association represents and promotes issues of relevance to the automotive industries to all levels of Government and within Queensland's economic structure.

8.3 Australia's first automotive hub, the MTAIQ, has been established in specifically designated accommodation at the corporate office. The hub is an eco-system that supports innovation for the automotive industry.

8.4 The Association is the leading automotive training provider in Queensland offering nationally recognised training, covering technical, retail and the aftermarket phases of the motor trades industry through the MTA Institute - a registered training organisation. It is the largest automotive apprentice trainer in Queensland employing with trainers geographically dispersed from Cairns to the Gold Coast and Toowoomba and Emerald. The MTA Institute last financial year provided accredited courses to in excess of 1,600 apprentices and trainees.

Thank you for your consideration of the above views.

Yours sincerely

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Rod Camm MTA Queensland Group Chief Executive Officer