

Our reference: BN-05912-2025

Competition Taskforce The Treasury Langton Crescent PARKES ACT 2600

Via website

To whom it may concern

Thank you for the opportunity to provide a submission on the *National Licensing for Electrical Occupations Issue Paper*. The NSW Small Business Commissioner (the Commission) is an independent statutory office of the NSW Government. It provides strategic advice, advocacy and affordable dispute resolution services across NSW.

The Commission welcomes initiatives to reduce regulatory burden upon small businesses. Many small businesses operate across state borders or provide services to clients in multiple jurisdictions. However, inconsistent and fragmented licensing frameworks create unnecessary barriers for businesses seeking to grow, adapt, or respond to workforce needs.

National vs automatic recognition

Both the proposed national licensing model and the expanded automatic recognition model, or indeed a hybrid model are viable options. A national licence offers long-term certainty and consistency, while an expanded automatic recognition model or a hybrid model may provide a simpler, lower-cost pathway in the short term. The key is to ensure that whichever model is chosen reduces duplication, avoids extra costs, and delivers practical benefits for small businesses.

Consideration of cost

If a national licensing scheme is introduced, it is critical that Treasury provides clear detail on what the ongoing costs will be for small businesses. Many operators in the electrical trades are sole traders or employ only a handful of staff, meaning even modest increases in licence fees or renewal costs can have a material impact. For the scheme to be workable, small businesses need certainty that a national licence will not impose higher costs than the current state-based system.

Research undertaken by the Commission indicates that the largest concern for small businesses currently operating in NSW is the cost of business inputs (87 per cent report this as a key concern).

Importantly, there should be an automatic transition for existing licence holders so that small businesses are not forced to pay duplicate fees or undertake unnecessary administrative steps to have their credentials recognised.

Safety concerns

Safety must remain the foundation of any licensing reform. States with well-established frameworks and strong safety records, such as New South Wales, are likely to only support a national model if it maintains or improves on their existing protections.

To achieve national consistency, the scheme should embed best-practice safety standards, ensuring jurisdictions with higher benchmarks are not required to compromise. This approach will minimise the risk of jurisdictional resistance and support broader acceptance of any reform.

Licence categories

A national licence should preserve the existing distinctions between different categories of electrical licences, such as electrician, electrical fitter, and electrical line worker. Each of these occupations involves specialised skills and responsibilities, and blurring the boundaries between them could create safety risks and confusion for both businesses and consumers.

Maintaining clear and separate categories within a national framework will not only safeguard standards but also provide businesses and workers with certainty about the scope of work they are authorised to perform and allow them to maintain specialist service offerings.

Digital portal

Any national licence scheme for electrical occupations should be supported by a modern, accessible, and user-friendly online portal. Small businesses often encounter difficulties navigating complex government websites, which can create unnecessary administrative burdens.

A single national licensing portal, with straightforward renewal processes, mobile functionality, and multilingual capability, would streamline compliance, cut red tape, and ensure equitable access for businesses across metropolitan and regional areas.

Such a portal would also enable employers to verify worker credentials and compliance in real time, making onboarding more efficient and allowing businesses to respond quickly to changing demand.

Regulatory impact statement

To ensure sound policy outcomes, regulatory development should be evidence-based and proportionate. In this context, the Commission recommends:

- Early and continuous engagement with small business stakeholders throughout the policy process.
- Transparent analysis of objectives, costs, benefits, and alternative measures, including how
 a temporary ban (proposed as a transition measure within the reform process) on issuing
 new state-based licenses during transition could support reform objectives by avoiding
 duplication and reducing costs.
- Application of a Small Business Impact Statement (SBIS), as recommended in the Commission's <u>Rightsizing Regulation Report</u>, to ensure small business perspectives are embedded in regulatory design.

Education

Any change to the licensing scheme should be accompanied by a comprehensive educational and awareness campaign to ensure effective compliance. Small businesses rely on clear, accessible information to understand their obligations. Communication should extend beyond government websites to include industry associations, electrical trade bodies, and online network groups. The Commission recommends a significant transitional period to allow for education and awareness activities, giving small business owners ample time to comply with the new scheme.

Thank you for the opportunity to make a submission. If you require further information, please contact my Executive Officer, at either commission@smallbusiness.nsw.gov.au or (02) 9372 8767.

Yours sincerely

Catherine Ellis
Acting Commissioner
NSW Small Business Commission

Date: 25/09/2025