



Greg Murtough
A/g Assistant Commissioner
Productivity Commission
Level 12,
530 Collins St,
Melbourne
Victoria 3000
Australia
greg.murtough@ pc.gov.au

Dear Greg

Introduction

The New Zealand Society of Master Plumbers, Gasfitters and Drainlayers is pleased to respond to the Commissions' request for submissions concerning the *2014 Review of the Mutual Recognition Agreement and the Trans-Tasman Mutual Recognition Agreement*. There are three areas that the Society would like comment on:

- 1) Establishing a shared body of knowledge between the mutually recognised occupations in Australia and New Zealand;
- 2) The differences in Gasfitting between Australia and New Zealand; and
- 3) The recognition of Apprentice training.

A Shared Body of Knowledge

The Plumbing, Gasfitting and Drainlaying trades in Australia and New Zealand share a common history and knowledge, as well as many similar trade practices. The Society sees the opportunity to develop from this commonality a shared body of knowledge that would be used as the basis of a mutual recognition of trade skills and knowledge, and could be further defined and developed through future shared Standards for both Australia and New Zealand.

Exceptions within the shared body of knowledge, due to local practices and conditions, should be acknowledged and managed in a clear and transparent manner within the Mutual Recognition Agreement and the Trans-Tasman Mutual Recognition Agreement. In developing a shared body of knowledge, Registration Authorities in each jurisdiction would need to consult the Representative Trade Organisations, in order to ensure that the shared trade skills and knowledge, as well as the exceptions to these, are recognised.

The *Productivity Commission Issues Paper on Mutual Recognition Schemes* indicates that:

“A key element of mutual recognition of occupations is that registration in one jurisdiction is sufficient grounds for registration in an equivalent occupation in another jurisdiction” (*Productivity Commission Issues Paper on Mutual Recognition Schemes*, January 2015, p. 18).

The manner in which an equivalent status is achieved and supported is critical to this process. Achieving the equivalent status should not be an opportunity to reject an application but may be seen as an opportunity to strengthen mutually recognised standards within the mutually



recognised scheme. Consequently, such differences in Standards and skills should not be “grounds to reject an application [because] jurisdictions that participate in the mutual recognition schemes have agreed to recognise each other’s standards, even though they may be different” (*Productivity Commission Issues Paper on Mutual Recognition Schemes*, January 2015, p. 18).

We believe that the registration process for tradespersons trained and licenced in either New Zealand or Australia moving between jurisdictions should be efficient, fair and transparent and that any exceptions within a shared body of knowledge should be publicised, so that trades people are aware of these differences, before relocating from one jurisdiction to another.

The Society believes that a shared body of knowledge, overseen by the Registration Authorities and based on Representative Trade Organisations’ knowledge will strengthen the trades on both sides of the Tasman and reduce the risk to both parties of jurisdiction “shopping and hopping” which exploits the differences in occupational standards between jurisdictions, and involves registering in the jurisdiction with the easiest and/or cheapest requirements and then using the MRA or TTMRA to move to a desired jurisdiction (*Productivity Commission Issues Paper on Mutual Recognition Schemes*, January 2015, p. 18 - 19).

The Society believes that a share body of knowledge would further reduce the likelihood of tradespersons with trade knowledge and skills gained outside of either New Zealand or Australia gaining access to either market without the practical skills necessary to perform to minimum levels of public safety. Tradespeople from a country other than Australia or New Zealand wishing to register should first submit to the industry’s shared body of knowledge through a gazetted process that would involve training and tests set by the Registration Authority of the jurisdiction concerned on behalf of all jurisdictions included in the Mutual Recognition Agreement. The required training and test should test both an understanding of the mutually recognised occupation Standards and the how these Standards are applied in Australia and New Zealand.

The idea of a shared body of knowledge, enforced through legally recognised standards, should not only be restricted to Plumbers, Gasfitters and Drainlayers, but suggested and extended to all of the mutually recognised occupations between the jurisdictions of Australia and New Zealand. This would highlight commonalities between occupations, streamline the movement and registration of labour between jurisdictions within an occupation, and thus further harmonise mutually recognised occupations between Australia and New Zealand.

Recommendation:

The Society recommends that the parties to the Trans-Tasman Mutual Recognition Agreement establish a shared body of knowledge aligned to each of the trades of Plumbing, Gasfitting and Drainlaying that can be used across jurisdictions in order to establish mutually recognised occupational practices and mutually recognised exceptions. Such a body of knowledge would be able to identify specific local practices, circumstances and systems which could then be used to further strengthen the shared body of knowledge through mutually recognised Standards.

Differences in Gasfitting Practice between Australia and New Zealand

While wanting to enable the free movement of tradespersons between jurisdictions the Society wishes to point out that there are significant differences between the gasfitting practices in Australia and those in New Zealand that are important for public safety.

In New Zealand, the almost universal use of reticulated gas distinguishes the practice skills from the Australian context where gas is mainly drawn from tanks and bottles. The Australian/New Zealand



Gas Installations Standards (AS/NZS 5601.1:2013); defines lay out the differences in Australian tank based gas reticulation, and New Zealand's point of supply based gas reticulation:

“For New Zealand, these requirements cover *gas* installations downstream of the point of supply (as defined in the Gas (Safety and Measurement) Regulations 2010).

For Australia, these requirements cover *gas* installations downstream of the outlet of-

(a) the *consumer billing meter* installation;

(b) the first regulator on a fixed *gas* installation where *an LP Gas tank or cylinder(s)* is installed on site; or

(c) the first regulator on site (if no meter is installed) where *LP Gas* is reticulated from offsite storage” (AS/NZS 5601.1:2013, Australian/ New Zealand Standard Gas Installations, Part 1: General Installations, Section 1.2, 2013).

Gasfitting is an occupation that presents more danger than Plumbing or Drainlaying to the general public and the practitioner his or herself. Such is the concern of the Society regarding the registration of Australian trained and registered Gasfitters in New Zealand that the Society would like to see Gasfitting as a restricted trade.

The Society would like to see a more rigorous practical examination applied before Australian trained Gasfitters can gain registration in New Zealand. The Society believes that the shared body of knowledge established between jurisdictions would need to acknowledge that the variance of practice between New Zealand and Australia is such that in order for the safety of the New Zealand public, and of the individual practitioner, to be maintained the practical examination would need to be administered after a minimum period of three months practical experience under the supervision of a Certifying Gasfitter.

The possibility of a Restricted Trade is established for New Zealand Trans-Tasman Occupations Tribunal where it can declare that an occupation carried out in an Australian jurisdiction is not equivalent to a New Zealand occupation if:

“the activity or class of activity, if carried on by an individual not conforming to the appropriate standards, could reasonably be expected to expose persons in New Zealand to a real threat to their health or safety” (Trans-Tasman Mutual Recognition Act 1997 (NZ), s. 30.1(b)(ii)).

Consequently, a Gasfitter from a jurisdiction with no knowledge or evidence of practice applicable to the New Zealand context could potentially cause serious injury and multiple fatalities to the New Zealand public or themselves and therefore it would seem reasonable to declare Gasfitting a Non-Mutually Recognised, or Restricted Trade.

In this instance, a Gasfitter from an Australian jurisdiction would not be considered a Gasfitter in New Zealand based on their lack of experience or New Zealand practice. However, if a Mutual Recognition Agreement specified a shared body of knowledge for Australian and New Zealand jurisdictions in respect of Gasfitting that outlined the shared as well as the jurisdiction specific trade knowledge and skills required and if this body of knowledge was included within a new Trans-Tasman Apprentice Training Programme, then the opportunities for Gasfitters to work Trans-Tasman would be greatly enhanced.



Recommendation

The Society recommends that Gasfitting be recognised as a Restricted Trade and the Society recommends that before an Australian registered Gasfitter may work in New Zealand that that Gasfitter be required to EITHER (1) work under the supervision of a New Zealand Certifying Gasfitter for a period of three to six months or submit to a practice test set by the PGD Board, which could be completed either before or after the gasfitter arrives in New Zealand.

The Society recommends that a shared body of knowledge, in respect to Gasfitting, be established between Australia and New Zealand to ensure a base-line level recognition of Australian gasfitting skills and practices applicable to the New Zealand practice.

The Society recommends that this shared body of knowledge form part of a new Trans-Tasman Apprentice Training Programme that would enable the portability of skills and knowledge between jurisdictions

Recognition of Apprentice Training

Apprentices are essential to the future of the Trades and essential to the economies of both countries. The Society would like to opportunities for development of a Trans-Tasman Apprentice Training Programme explored. Such a training programme would be based on the shared body of knowledge outlined above and would offer the both Australian and New Zealand citizens the portability of knowledge between jurisdictions.

Although the subject of apprentices is not covered in the Agreement and the respective Acts of Australia and New Zealand, the Society recommends that apprentices be covered under any amendment to the Mutual Recognition Agreement.

Recommendation

The Society recommends the establishment of a Trans-Tasman Apprentice Training Programme with a shared body of knowledge that would make it possible for apprentices, when moving from one jurisdiction to another and on having completed at least six months of their apprenticeship in the jurisdiction of origin, to have their training recognised as time served towards the completion of their apprenticeship in the new jurisdiction.

The Society recommends that any additional training required by the new jurisdiction, required of the apprentice, should commence in the third or fourth year of the apprenticeship. The expansion of the Mutual Recognition Agreement, the Trans-Tasman Mutual Recognition Agreement, the Australian Trans-Tasman Mutual Recognition Act 1997 and the New Zealand Trans-Tasman Mutual Recognition Act 1997 to cover apprentices would be well within the spirit and intent of the aforementioned Agreements and Acts and would streamline the movement of labour across all jurisdictions in Australia and New Zealand.

Greg Wallace

Chief Executive

Master Plumbers, Gasfitters & Drainlayers NZ Inc