

# Engineering Registration

Opposing a Nationally Inconsistent Approach | April 2016

*This paper establishes Consult Australia's position on engineering registration recognising the fragmented nature of registration schemes now being introduced around Australia creating a new cost and compliance burden for member firms.*

## **SUPPORTING THE HIGHEST PROFESSIONAL STANDARDS ACROSS ALL DISCIPLINES**

Consult Australia strongly advocates for the highest appropriate professional standards, skills and competencies as recognised through the delivery of effective professional training, accreditation and qualifications for all those employees of all disciplines employed by our member firms.

It is in the commercial interests of our member firms to compete on the basis of the skills represented by their employees. An enduring focus on the above objective has resulted in increased industry standards and consumer confidence, and continues to raise the status of all those disciplines our firms represent. Australia now represents the highest standards of professionalism in many of those disciplines employed by our member firms, including in engineering, architecture, project management, engagement, and quantity surveying.

## **OPPOSING NEW AND UNNECESSARY REGULATORY BURDENS**

The increasing prevalence of state and territory-based engineering registration schemes ignores the success of the market in driving higher industry standards, and imposes a new and unnecessary regulatory burden on business. This burden is in addition to firms' ongoing commitment to seeking the highest appropriate levels of professional accreditation for their employees, and risks undermining the very competitive tension that has so successfully driven higher standards through our industry to date.

The increased costs and red-tape created through engineering registration represents another burden for professional services businesses. Fragmented registration initiatives, both through their establishment, maintenance and ongoing fees imposed on business will only serve to decrease competitiveness in the sector, and increase the cost of doing business across related supply-chains in infrastructure, construction, manufacturing, property and resources industries across Australia.

At a time when the cost of doing business is under constant review, the imposition of unnecessary regulation through ad-hoc and nationally inconsistent registration schemes should not be supported.

## **BACKGROUND**

In 2009, Consult Australia agreed to support a national registration scheme for professional engineers. Support for a scheme was subject to the following prerequisites:

- A nationally consistent system introduced through state and territory legislation.
- An independent registration board.
- A system applicable to all engineers who are capable of independent practice.

From 2010 to 2012, Consult Australia engaged in activities to promote national registration to governments and opposition parties in all jurisdictions. This was in coalition with National Engineering Registration Board (NERB) members: Engineers Australia (EA), Professionals Australia, and the Institute of Public Works Engineering Australia (IPWEA).

Delivering a nationally consistent scheme has proven enormously challenging. Support from Governments around the country is mixed. As well as the Queensland government, governments in Victoria, Western Australia and the Australian Capital Territory have expressed support for a registration scheme in various forms. Other jurisdictions and the federal government and opposition are lukewarm in their support.

As a consequence, the original objective of the NERB, to advocate for national engineering registration, introduced consistently across states and territories, has been compromised. The NERB has been effectively disbanded, and alongside the differing views of states and territories, there is now significant increased risk of multiple, incompatible schemes that impose new and substantial cost and compliance burdens on Consult Australia member firms.

## UNDERSTANDING THE BENEFITS AND RISKS

Historically the following potential benefits were identified as positive outcomes of national registration, and underpinned Consult Australia's support:

- Credible evidence of competence to practice.
- Increased consumer confidence.
- Supports the delivery of improved safety through design.
- Accessible listing of practitioners in their area of practice.
- The potential to remove unqualified practitioners from market.
- Potential for raising the status of engineers.
- Increased opportunity for engineers to work on projects across state borders.
- Increased potential for mutual recognition internationally.
- Reduced costs and overheads of state based registration.

The following were identified as the risks associated with registration:

- Complications with international market regulation.
- Personal liability implications.
- Fees and administration that created a substantial, new and increased cost to firms.

With the increased likelihood of a range of state and territory schemes operating independently, the risks outlined above are exacerbated. Alongside these risks, those benefits relating to mutual recognition, cross-jurisdictional mobility, and reduced costs and overheads, have shifted to become likely negative outcomes from the development of multiple parallel registration schemes.

In consideration of any registration scheme, whether it be for a nationally consistent model, or an individual jurisdiction, seeking to address these risks is important – particularly issues from existing schemes around potential impacts on individuals' personal liability; and the implications for using overseas-based engineers.

In relation to increased personal liability, depending on the design of any registration scheme, there are risks that signing-off work as a registered engineer may increase personal liability. Not all engineers will become registered, which may mean that those who are registered will accept increased responsibility (and any associated liability) for the work of their non-registered peers. This may act as a disincentive for registration.

When considering the implications of registration for overseas-based engineers, a related concern is the potential need for registration schemes to require overseas-based engineers to be supervised by an engineer registered in Australia. This would create new cost-burdens where interstate or overseas based engineers are required to be registered, or where there are barriers to entry based on the recognition of overseas qualifications.

**Overall, the additional cost and compliance burden of registration, as it is now being implemented, is the most significant concern for Consult Australia member firms. With the objective of nationally consistent registration at risk, member firms working across borders, are facing the worst outcome with a range of schemes imposing individual registration fees and unique regulatory requirements. Ultimately this will erode firms' profitability, competitiveness, mobility of expertise, and increase the costs of the services provided to private and public sector clients across Australia.**