



2020-21 Pre-Budget Submission

The Treasury | Australian Government

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About us



Consult Australia is the industry association representing consulting firms operating in the built and natural environment sectors. These services include design, engineering, architecture, technology, survey, legal and management solutions for individual consumers through to major companies in the private and public sector including local, state and federal governments. We represent an industry comprising some 48,000 firms across Australia, ranging from sole practitioners through to some of Australia's top 500 firms with combined revenue exceeding \$40 billion a year.

Some of our member firms include:



Summary

Infrastructure and built environment investments are increasingly being recognised as a critical fiscal tool to help drive economic growth, increase productivity, and maintain Australia's high liveability standards. This level of investment from both the public and private sectors has been described by many as a 'new normal' – recognising how crucial it is to deliver a smart pipeline of projects over the coming decade, particularly in the context of current local growth challenges from global economic headwinds.

Maximising the benefits from infrastructure and built environment investments is not as simple as the total spend. Investment must ensure productivity in the sector (e.g. job creation etc.) as well as the ongoing legacy created by that investment (including both social value and broader economic return). Sector productivity needs to be underpinned by a vibrant and sustainable workforce with the right skills and capacity. A vibrant business sector is characterised by small specialist firms right through to large multidisciplinary consulting businesses, providing professional services for the betterment of our built and natural environment.

The way infrastructure and built environment projects are planned, funded, procured, designed, and delivered has a significant impact on both the projectivity of the sector and the ongoing legacy created by the investment. It is therefore essential to get all these elements right.

Our 2020-21 Federal pre-budget submission therefore focuses on promoting policy settings that not only maximise the social and economic benefits of infrastructure and built environment investments in our cities and regions, but that also help to create a healthy industry sector. We seek to highlight the intertwined benefits to government, industry, and the community from:

- Informing infrastructure investments through rigorous governance and decision-making processes;
- Improving procurement practices and risk allocation for projects;
- Promoting a balanced market by having a mix of projects in the pipeline (by size, scale and asset type) and considering how work packages are structured;
- Addressing the skill shortages that face many infrastructure and built environment projects; and
- Reducing the regulatory burden on industry and improving the business environment.

As the industry association representing businesses in design, advisory, engineering and professional services in the built and natural environment sector, our pre-budget submission and recommendations are structured around four priority areas focused on:

- A smart and sustainable infrastructure pipeline;
- Supporting our industry's people;
- Improving procurement practices; and
- An appropriately regulated practice environment.

Recommendations

In brief, our pre-budget submission includes the following recommendations:

Pipeline

- Re-establish an improved asset recycling initiative
- Leverage existing infrastructure governance arrangements to create a smart and sustainable pipeline of high-value projects

People

- Develop a built environment workforce strategy to increase the sector's capacity
- Adopt practical skilled migration reforms that reduce the burden on industry
- Introduce childcare and paid parental leave reforms to create more inclusive workplaces

Procurement

- Continue funding for the National Centre of Procurement Excellence
- Adopt the Model Client Policy

Practice

- Fund a national government portal for registered practitioners
- Adopt better regulation practices

Pipeline – supporting a smart and sustainable long-term pipeline of infrastructure projects

Re-establish an improved asset recycling initiative

Recommendation 1.1: *An asset recycling initiative be re-established. Incentive payments for states and territories under the new initiative should no longer be based on asset transfer prices or a ‘first come, first served’ approach, and instead be based on an assessment of asset transfer conditions.*

The Australian Government has an important role to play in driving consistent reform across the country to improve how states and territories plan, deliver and manage infrastructure assets. As highlighted by Infrastructure Australia, the Australian Government is best placed to address the current ‘vertical fiscal imbalance’ between jurisdictions by using its responsibility to address disparities (through funding allocations) as a tool for implementing reform.¹

To this end, we believe the Australian Government should promote asset recycling as an important reform to help states and territories unlock capital from balance sheets and to fund additional infrastructure. Asset recycling can provide a sustainable option to fund growing infrastructure needs that are rapidly increasing from significant population growth in many of our cities and regions.

Asset recycling does not lead to successful outcomes by default. There are numerous examples that point to successful and unsuccessful approaches to asset recycling. It is the unsuccessful examples that highlight our concern with the design of the Australian Government’s previous asset recycling initiative, which was heavily focused on asset transaction prices and did not focus enough on asset transfer conditions. We believe this creates a risk of a race to the bottom where impacts on service outcomes and ongoing public benefits are not sufficiently considered.

Consult Australia therefore recommends the Australian Government re-establish a new and improved asset recycling initiative to improve the approach and to encourage consistency across the country. The initiative should be designed around the below principles.

- Increase the appetite of states and territories to explore asset recycling as an option to fund additional infrastructure needs.
- Encourage a nationally consistent approach to asset recycling focused on improving service outcomes for users, delivering tangible public benefits, aligning with national interests, and ensuring no jurisdiction is left behind from a structural infrastructure funding gap.
- Include a national position on appropriate asset recycling by asset type and transfer conditions, to influence the approach taken by states and territories.
- Require states and territories to reinvest all proceeds from asset transfers into new infrastructure to be eligible for incentive payments.
- Incentive payments should not be based on or linked to asset transfer prices. Instead, incentive payments should be based on an assessment against the Australian Government’s position on appropriate asset recycling. This will discourage any desire to maximise the upfront value of an asset at the expense of transfer conditions.

¹ Infrastructure Australia, [Making reform happen: using incentives to drive a new era of infrastructure reform \(2018\)](#)

- Encourage the uptake of new technology to manage assets more efficiently and to improve the user experience through asset transfers.
- Include balance across states and territories with incentive payments. The initiative should no longer be a 'first come, first served' approach, and could instead be limited by caps for each jurisdiction.

A new asset recycling initiative should also include funding for Infrastructure Australia to work with states and territories to identify assets appropriate for recycling, and to help determine any regulatory structures or transfer conditions required to limit negative outcomes. Other support could include helping states and territories develop a better understanding of the full lifecycle of assets to better understand future costs.

Boost the economy through a smart pipeline of high-value infrastructure projects

Recommendation 1.2: *Ensure infrastructure announcements in the budget, including the fast-tracking of funding for projects, are backed up by existing assessment processes through Infrastructure Australia.*

Increasingly over recent months, the role of infrastructure investments has been rightly described in public discussions as a critical policy lever to help governments address macro challenges facing Australia such as a slowing economy and global economic headwinds. We are also increasingly seeing our infrastructure and new investments as enablers of broader economic and social development in our cities and regions rather than a traditional demand-versus-capacity approach asset-by-asset. The focus on boosting the economy in infrastructure announcements across the country in late November 2019 highlights that the Australian Government is responsive and keen to maximise the broader benefits of these investments.

Consult Australia believes a focus on broader economic and social benefits reiterates why governments should continue to follow robust governance and decision-making processes to inform infrastructure investment decisions. This will maximise investment outcomes, particularly in the context of fast-tracking new projects to stimulate a slowing economy. The capital spend is too often the focus when measuring the benefits from investments or the effectiveness of a government's approach. Instead, we firmly believe infrastructure investment decisions by governments should be centred on how the project will deliver ongoing value to the economy and the community (i.e. the post construction whole of life value), and that this be a key component of the business case assessment.

The Australian Government has made inroads over the past decade establishing Infrastructure Australia as an independent statutory body to audit Australia's infrastructure needs and to provide advice on the priority and effectiveness of project proposals. We believe the Australian Government should ensure Infrastructure Australia is empowered to inform all of the Commonwealth's infrastructure investment decisions through business case assessments for project proposals and through the infrastructure priority list. Additionally, we believe there is an additional role for the Australian Government to ensure there is an appropriate spread of project types and work packages for firms of all sizes to benefit or participate in its pipeline of projects. This includes consideration of the size and scale of projects and whether it is more appropriate to break-up mega projects into smaller projects to give smaller businesses the ability to participate to deliver sector-wide productivity.

Any desire to fast-track the delivery of projects to help boost the economy should not skip or rush these important upfront considerations, as they are critical for ensuring downstream challenges are considered and for ensuring the Commonwealth is supporting a smart long-term pipeline of high-value infrastructure projects – as highlighted in our thought leadership report on [infrastructure governance](#) released last year.

People – a sustainable workforce and vibrant workplaces for consulting firms in the built environment sector

A built environment workforce strategy to increase the sector's capacity

Recommendation 2.1: *Fund and develop a strategy to increase Australia's capacity deliver infrastructure projects and expand the pipeline of future talent for careers in our sector.*

Skill shortages have been growing across the broader built environment workforce over recent years due to the growing number of infrastructure projects being delivered across Australia. This level of investment has rightly been described as a new normal – recognising that it drives economic growth, manages a rapidly growing population, and maintains Australia's liveability reputation. However, Australia's ability to keep pace with the scale of projects needed to deliver these benefits is limited if we are not also strategically addressing the root cause of skill shortages and aiming to increase industry's overall capacity.

Our [2019 skills survey results report](#) highlights the significant workforce demands and skill shortages that our member firms currently face. 63 per cent of respondents from member firms indicated they are actively recruiting and are experiencing skill shortages. Furthermore, 78 per cent of respondents indicated these problems are experienced when recruiting mid-level roles and 60 per cent for senior level roles. By breaking down these skill shortages into employment disciplines, civil engineers and drafters, engineering managers, and rail engineers are most in demand.

These findings highlight that addressing skill shortages is not as simple as increasing our recruitment activities, particularly for mid to senior level roles that require years of professional experience. The skills needed by our member firms are underpinned by the education system. A sufficient number of students progressing through STEM subjects into related university courses is required, with enough graduates to then pursue a career in our industry sector – i.e. a strong STEM talent pipeline. Our sector's ability to develop professional skills and provide the experience needed to replenish the capabilities of our workforce are limited without a sufficient pipeline of talent. This problem exacerbates during periods of elevated infrastructure investments – which in our view makes our sector more vulnerable to skill shortages, unsustainably stretches our workforce's capacity, and results in the offshoring of skills and resources by squeezing fees.

Our sector vulnerability to being stretched with unsustainable workloads from capacity constraints and growing demands also places pressure on the mental health and wellbeing of our workforce. As highlighted by some of our recent activities on the topic over the past two years, we believe there is a strong need to investigate how improving practices and addressing capacity constraints can help create a mentally healthy built environment industry, and drive productivity and performance improvements at the same time.

Consult Australia believes these challenges can be addressed by the Australian Government developing a long-term strategy to ensure the built environment workforce has the capability and capacity to continue delivering a growing pipeline of infrastructure projects over the next 15 to 20 years. The strategy should include:

- a root cause analysis of skill shortages in the built environment industry,
- a map of the range of skills needed across the industry and link these to current education and training pathways, and

- outline policy improvements and targeted investments to unlock capability and capacity constraints.

We believe the strategy should also consider:

- Measures that will support greater gender diversity and increase the pool of indigenous candidates in the pipeline of talent;
- The shift in demand and new skill requirements from the uptake of new technology and data analytics, and the impact this will have on project delivery such as the need to move away from binary skills and to strengthen creative thinking, problem-solving, and other skills;
- Benefits from increasing the number of Commonwealth supported university places for engineering degrees, and new scholarship opportunities to attract high-performing students;
- Reforms aimed at attracting more students into STEM subjects at primary and secondary schools, and addressing [STEM education challenges](#) that we identify in a recent discussion paper; and
- How governments can support retention in the industry by promoting the concept of mentally healthy workplaces and investigating links and impacts to procurement practices.

This strategy should be developed in collaboration with state and territory governments, the education sector, and supported by industry.

Practical skilled migration reforms that reduce regulatory burdens on industry

Recommendation 2.2: *Re-introduce the Department of Home Affairs' Industry Outreach initiative.*

Recommendation 2.3: *Deliver improvements to the subclass 400 visa to increase its relevance for project-based sectors.*

Recommendation 2.4: *Commit funding to review Australian and New Zealand Standard Classification of Occupations (ANZSCO).*

Given some of the recent changes to Australia's immigration programmes, Consult Australia believes there are significant opportunities to deliver a range of targeted practical improvements to the skilled migration system, which will clarify the process for industry and increase its responsiveness to domestic skill shortages.

Feedback from Consult Australia member firms highlights the complexity and confusion surrounding the Commonwealth's current skilled migration arrangements post the recent changes to the skilled visa programme. This is a deterrence for many businesses to use the visa system, which ultimately leads to a negative outcome on the Australian economy by limiting growth opportunities when skills are not readily available on the domestic market. This demonstrates a need for Government to provide greater education and guidance in order to clarify the new policies and dispel any misconceptions.

Industry Outreach Initiative

We believe there is an important role for the Department of Home Affairs to provide direct assistance to industries experiencing skills shortages to help educate and navigate the skilled migration system. A support programme previously existed when shortages were experienced during the mining boom – the Industry Outreach Officer initiative. Consult Australia was a beneficiary of the programme and an immigration officer was seconded to assist our membership during the height of the skills shortage between 2005 and 2014.

We see a strong case to reinstate this programme to help address the increasing skills gap in our sector from the current 'infrastructure investment boom'.

During the mining boom, our sector experienced significant skills shortages and the professional relationship built between industry outreach officers and our member firms was a key success factor in meeting demands. A detailed understanding by the Department of the key skills issues facing our member firms, particularly an increased reliance on specialist engineers and other technical professions, helped ensure that our skilled migration needs were efficiently met. This included a threefold increase in those on temporary visas from 2,260 in 2003-04 to 6,940 in 2010-11.

The reintroduction of the Industry Outreach Officer initiative should focus on sectors that contribute substantially to the broader productivity of the economy, and where additional support to address systemic skills shortages are in the national interest. This more tailored approach to the previous initiative recognises the need to apply fiscal discipline, but also recognises the benefits of supporting industry sectors like ours that are key to driving economic growth.

Subclass 400 visa improvements

The ability for Consult Australia's member firms to access the global workforce is a competitive advantage for Australia.

This requires the ability for consulting firms in the built environment sector to quickly and easily bring in resources, including global experts, to support project requirements, knowledge transfer, training, and teamwork across multinational businesses. Temporary skilled migration arrangements are essential for this global movement.

Required travel patterns of specialist staff in our sector are not suited to the business visitor visa programme as they are involved in substantive work. The typical travel patterns for specialist staff in our sector are:

- Short-term assignments of three to 12 months. These short stays arise particularly in project-based sectors which require a concentrated period of work and no intention for the employee to seek to reside in Australia permanently; and
- Short visits of only a few days or weeks each time, but constantly or regularly over a long-term period and involving substantive work.

Short-term specialised services have the potential to deliver significant benefits to infrastructure and other built environment projects across Australia. We see a strong rationale for the Department of Home Affairs to facilitate and support access to global expertise, particularly for skills not readily available.

The subclass 400 visa has the potential to be an essential tool for enabling consulting firms in the built environment sector to access specialised experts from the sector's globalised workforce. However, due to the current policy settings of this visa, travel patterns for short-stay specialists are directed to the subclass 482 visa (temporary skill shortage) which includes arrangements that are too onerous for the length of stay involved.

At the same time, processing of subclass 400 visa applications is slow and convoluted because documentary requirements are inconsistent from post to post, processing times are not sufficiently responsive to business needs.

In addition to improving the conditions for the subclass 400 visa, Consult Australia believes processing times should be reduced to 48 hours by adopting a risk-tiering approach to processing applications that negate the need for assessing every aspect of an application, and by implementing a 'trusted user' or accredited status for businesses with a sound compliance history.

ANZSCO review

Lastly, a key concern we have with the skilled migration system is the current skills assessment approach, primarily around ANZSCO. It is essential for the system to truly reflect industry needs and skills shortages, and this is not being achieved under the current skills assessment approach.

ANZSCO provides an important pillar of labour market statistical information and is used to regulate which occupations are eligible for the programme. Reviews of ANZSCO are managed by the ABS. Despite significant changes to the economy and the skills market, ANZSCO has only been reviewed twice since its introduction in 2006, with the last review in 2011.

In August 2018, a review of ANZSCO was again deferred by the ABS due to competing priorities and resource constraints. This means that at best a review of occupations will not be properly reflected until 2026, marking 15 years since the last major review. This is a contributing factor in failing to understand the jobs market and a skilled migration system that does not reflect skills needs, which negatively impacts project delivery and is a constraint on productivity.

For example, specialisations outlined under ANZSCO's civil engineering professionals grouping is missing many job types, including rail engineers despite being a skillset with a significant shortage in Australia resulting from the significant investment in rail infrastructure projects.

Consult Australia therefore supports wider industry calls for the Commonwealth to immediately allocate the resources needed to commence a review of ANZSCO to incorporate all jobs performed in the modern workplace. This review will help the programme and the skilled visa categories best meet the needs of Australia into the future.

Childcare and paid parental leave reforms to create more inclusive workplaces

Recommendation 2.5: Increase the Commonwealth's childcare subsidy percentage for the categories for combined incomes below \$251,248.

Recommendation 2.6: Increase the flexibility and equitability of the Commonwealth's paid parental leave scheme.

Affordable childcare

Consult Australia believes there is a strong case, and a number of significant downstream benefits relating to improving gender diversity in the workplace, for increasing the Commonwealth's childcare subsidy and to introducing equitable changes to the paid parental leave scheme. Measures that increase and better enable workforce participation for women will positively impact the Australian economy, and will help tackle some of the diversity and inclusion challenges facing many sectors.

The Grattan Institute published a paper in 2013 outlining that incentives that encourage more women to re-enter the workforce after starting a family could boost Australia's GDP by around \$25 billion a year.

The paper argues that disincentives currently arise from the way that tax, welfare and childcare benefit systems interact with the cost of childcare. Arrangements often make it unattractive for a second income earner in a family to return to work after the birth of a child, or to return to full time work.²

While women's workforce participation rate is at an all-time high (at 59 per cent), Australia has one of the highest proportions of women working part-time at 68 per cent.³ This represents the third highest women's part-time employment rate in the world,⁴ which we believe can be attributed to limited access to affordable childcare.⁵

While the Australian Government has addressed some of these concerns in 2018 reforms, we believe additional steps can be taken to make it more attractive for primary carers to re-enter the workforce. Consult Australia believes this can be achieved through further increases to the Commonwealth's childcare subsidy percentage, particularly for family incomes in categories below \$251,248.

Equitable paid parental leave scheme

When compared to paid parental leave schemes in other countries in the OECD, Australia's arrangements can be described as more gendered and less generous. For example, the Commonwealth's paid parental leave scheme offers 18 weeks paid leave at the rate of the national minimum wage for the primary carer (which is usually the mother) and 2 weeks paid leave at the rate of the national minimum wage for the secondary carer (which is usually the father).

This compares to a total of 35 weeks of paid leave in Canada (with pay at a certain percentage of their income) and 37 weeks in the United Kingdom (at a base pay or 90 per cent of their income, whichever is lowest), which can be used by either parent or shared between parents.

Consult Australia believes there is a strong case to update the Commonwealth's paid parental leave scheme to be similar to Canada and the United Kingdom. A focus should be on increasing the flexibility and equity of how leave is divided between carers, and potentially separating upfront maternity leave entitlements (i.e. giving birth) with ongoing caring leave entitlements. These new arrangements would also negate the need for current Dad and partner leave entitlements.

² The Grattan Institute, [A case for boosting the female workforce \(2013\)](#)

³ McKinsey & Company, [How advancing women's equality can add \\$12 trillion to global growth \(2015\)](#)

⁴ OECD data, [Part-time employment rate \(2017\)](#)

⁵ The Centre for Independent Studies, [Research report: Why childcare is not affordable \(2018\)](#)

Procurement – delivering better value through improved arrangements and a partnership approach with industry

Continue funding for the Commonwealth Centre of Procurement Excellence

Recommendation 3.1: *Continue funding for the Commonwealth’s Centre of Procurement Excellence to improve procurement skills across Government and ensure a policy framework that supports fair, balanced and collaborative procurement practice with businesses of all sizes.*

Consult Australia congratulates the Australian Government for establishing the Centre for Procurement Excellence (CoPE) to provide tools, advice and whole-of-government systems to build procurement capability, streamline processes, and provide quality reporting to execute their procurement responsibilities.

We call on the Australian Government to continue funding CoPE to continue its work championing best practice procurement across Australia and building a stronger relationship between governments at all levels and industry.

The funding should ensure CoPE can:

- Improve procurement skills and capacity across government entities;
- Provide transparent expert advice to all levels of government;
- Promote consistent procurement practice across government entities;
- Develop guidelines, build capability, and improve standards to achieve a policy framework that supports fair, balanced and collaborative procurement practice with businesses of all sizes; and
- Bring together government entities and industry sectors to share knowledge and best practice, including international best practice.

Adopt the Model Client Policy

Recommendation 3.2: *All federal government agencies and departments adopt the Consult Australia Model Client Policy.*

Consult Australia continues its call for all governments to embed Consult Australia’s [Model Client Policy](#) into procurement practices. Like the Model Litigant Policy, a Model Client Policy commits Government, as a major procurer of goods and services from the private sector, to behaving ethically, fairly and honestly in their contractual dealings with the private sector. Essentially a ‘Model Client’ works collaboratively with industry to achieve mutually beneficial outcomes and does not use market power to the disadvantage of local businesses and their employees.

We also call on the Australian Government to require the adoption of the Model Client Policy by state and territories where the Commonwealth is providing funding for the delivery of infrastructure projects, in order to ensure that the states and territories adopt good practice in dealing with the private sector. That is, state and territory government entities should:

- Operate in good faith and act ethically, fairly, and honestly in all dealings;
- Never use status, power or authority to gain unfair benefit or advantage;

- Undertake appropriate risk assessment, management, and allocation, which allows for innovation and collaboration;
- Avoid undermining the stability of the professional indemnity insurance market, through inappropriate risk allocation;
- Adopt fairness in contracting through proportionate liability and limits on liability;
- Avoid use of non-standard contracts, and variations to standard contracts without clear reasoning;
- Be clear, consistent, transparent, and focused on best for project outcomes in procurement and delivery methodology;
- Engage early and maintain open and constructive communication between all parties, dealing with them equally;
- Foster productive and healthy working relationships throughout the supply chain, recognising the roles of each party;
- Plan and prioritise projects, avoid making assumptions about industry capacity or capability;
- Keep costs of tendering and documentation requirements to a minimum;
- Provide clear, well structured, accurate briefs, and allow reasonable review and response times;
- Settle invoice payments and payment claims on time; and
- Foster a culture of continuous improvement and innovation, through the recognition of procurement skills and training.

As previously indicated, given the significant spend committed to infrastructure projects, even a one per cent efficiency would translate into significant savings. Further, as our 2019 [Innovation in Infrastructure](#) report demonstrates, improved procurement practices can also lead to more innovative delivery of projects.

Practice – ensuring a certain and stable regulatory environment

Fund national government portal for registered practitioners

Recommendation 4.1: *Fund a national government portal for registered practitioners, with input from relevant states and territories to minimise duplication across jurisdictions, improve consumer confidence and limit unnecessary burdens on industry.*

With infrastructure being a priority area for the Federal Deregulation Taskforce and various state and territory jurisdictions introducing (or flagging) a legislative requirement for the registration of professional engineers/practitioners there is an opportunity for the Federal Government to establish a government portal to reduce the duplication of registration across jurisdictions.

We call on the Australian Government to establish a government portal that facilitates *mutual registration*, akin to the approach demonstrated by the Australian Health Practitioner Regulation Agency (AHPRA) which has:

- a national registration and accreditation scheme;
- a single online register of all practitioners;
- a cooperative approach to auditing compliance;
- accrediting training; and
- managing complaints (although it is noted that NSW and QLD manage complaints separately).

There is real concern from the industry about unnecessary financial and administrative burdens of individual states and territories introducing registration schemes. Consult Australia therefore proposes, for jurisdictions with such schemes, mutual registration supported by a government portal of registered engineers, akin to the AHPRA register. This could provide a technological solution that essentially provides a ‘one-stop-shop’ for citizens, clients and governments. This approach would improve confidence in the building sector as it addresses the purported movement between jurisdictions of ‘rogue’ operators.

Arguably engineers work across jurisdictions more than any other profession. Without mutual registration, our industry’s productivity will be adversely impacted by the various registration schemes. Undue pressure will be placed on both the cost of doing business and on our workforce, which is already experiencing significant constraints.

Mutual recognition that requires the prior approval of each relevant jurisdiction is administratively and financially more burdensome than mutual registration. An example would be where a practitioner registered in Queensland can apply to be recognised as a registered practitioner in Victoria but is not automatically granted that registration in Victoria. This imposes administrative and financial burdens (as well as time delays) which does not allow for the seamless provision of services across jurisdictions, which is critical for engineers. Automatic mutual recognition is a middle ground where licences from one jurisdiction are automatically recognised in a second jurisdiction without the approval of that second jurisdiction – such as NSW licensed drivers driving in VIC. This approach does not negate the ability of the second jurisdiction from taking enforcement action (such as issuing speeding tickets). This example could be improved on by the use of a single government portal of registered practitioners (rather than jurisdiction specific registers). This is where the Federal Government could take the lead.

Infrastructure is a priority area for the Federal Deregulation Taskforce, with the Minister particularly seeking technological solutions to drive productivity. Consult Australia suggests that a public portal of registered engineers could deliver significant benefits not only to industry but also citizens as well as state and territory regulators.

The portal could populate the registration information from each state/territory jurisdiction into a central source that could be interrogated by the public and government. The portal would hold information including:

- Name;
- Contact details;
- Qualifications;
- Employer (if relevant);
- ABN/CAN (if relevant);
- Date of first registration;
- Currency of registration;
- Actions against the registered engineer (if any);
- Conditions on the engineer's registration (if any); and
- State/territory of original registration.

This information could be used by citizens and clients (of engineering services) to search for a registered engineer to assist in making an informed decision about choosing an engineer for their project. State and territory governments/regulators could utilise the portal to monitor any enforcement action taken against an engineer in other states/territories, or restrictions on their registration. The portal might assist state-based regulators to decide on appropriate disciplinary action, if for instance the scheme permitted the regulator to consider actions against the registered engineer in other jurisdictions.

The portal would avoid duplication across levels of government and provide consumer confidence in the profession as a whole throughout Australia. By being a government portal, using government information it would be a trusted source.

Enhance better regulation outcomes

Recommendation 4.2: *Require a consultation regulatory impact assessment process for all reform proposals. This would ensure industry insights are included early in regulatory development, to deliver right balance of community safeguard to industry impost.*

The Australian Government as well as state and territory governments have regulatory impact assessment processes – however the use of these varies from jurisdiction to jurisdiction as well as from reform package to reform package. The regulatory impact statement (RIS) framework is a vital tool that, when used in a consultative way, can ensure that new reforms are not just additional red tape, but are real reforms that balance the needs of the community with the productivity of industry.

We call on the Australian Government to implement for all reforms:

- A consultation RIS, in line with the requirements for reforms by the Council of Australian Governments (COAG); and
- Post-implementation reviews of regulatory impost after introduction of the reform package.

The required use of a consultation RIS ensures that industry has an opportunity to have input on regulatory impost much earlier than is otherwise the case. Consult Australia has seen the benefits of the consultation RIS processes for COAG initiatives and would like this extended to all reforms.

The Australian Government through the Office of Best Practice Regulation (OBPR) requires post-implementation reviews where a proposal proceeds through to a final decision without a compliant RIS. Consult Australia recommends that a post-implementation review be conducted on all final decisions. For instance, within 12 months of the implementation of a decision the Government should consult with industry to determine the actual regulatory burden borne by industry. Where a pre-decision RIS was conducted, the comparison of the two RIS' will reveal areas where the pre-decision RIS process could be improved to derive more accurate information.

We call on the Australian Government to also encourage state and territory governments to be more transparent on regulatory impacts. Often industry does not see any regulatory impact assessments, which may mean that the government agency has conducted a preliminary assessment and determined it does not meet the threshold to undertake a thorough assessment. Where a RIS is conducted it is rarely a consultation RIS process like that used for COAG initiatives, meaning that the impost data is developed by public officials without requiring input from industry. By the time legislation is drafted it is difficult to negotiate changes with governments that balance community needs with industry impost.

Contact

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