Review of Australia's Mutual Recognition Schemes

Response to the National Competition Council Consultation Paper — Interim Findings

AIR CONDITIONING AND MECHANICAL CONTRACTORS ASSOCIATION OF AUSTRALIA

MAY 2026

EXECUTIVE SUMMARY

AMCA supports the broader objective of the Interim Report: improving labour mobility, reducing unnecessary occupational licensing barriers, and supporting a more efficient national labour market. The Council correctly identifies that differences in licence requirements between jurisdictions can raise costs for employers and make it harder for workers to move across borders for work. The report also recognises that MR and AMR can provide benefits where they are fully adopted, clearly understood, and applied to occupations where licensing arrangements are already broadly aligned.

AMCA's central concern, however, is that the effectiveness of AMR is materially limited where the underlying licensing systems remain fragmented. For HVAC trades, the principal barrier is not simply the process of recognition. The barrier is the inconsistency of state and territory licensing frameworks themselves — including differing licence classes, scope definitions, qualification pathways, local law requirements, and regulatory interpretations.

AMCA considers this distinction critical. AMR may provide meaningful benefits for some professional occupations, particularly where competency expectations, registration categories and permitted scopes of work are already broadly aligned. In those circumstances, the challenge may be largely administrative, and improvements to AMR, better information sharing, digital registers and clearer guidance may provide practical benefit. That is not the position for HVAC trades.

For HVAC trades, AMCA considers national licensing should be treated as the preferred reform pathway, not merely a future option. Refrigeration and air conditioning (RAC) technicians provide the clearest first-stage opportunity. This occupation is already partly regulated at the national level through the federally regulated ARCtick refrigerant handling licence — administered by the Australian Refrigeration Council (ARC) under Commonwealth legislation. Workers are trained through nationally recognised training packages, and HVAC contractors operate across jurisdictional boundaries as part of ordinary business. Despite this, technicians and contractors remain subject to fragmented state and territory occupational licensing arrangements that differ in terminology, licence class, scope of work and regulatory application.

This creates a practical contradiction that the interim report's proposed AMR reforms cannot resolve: a worker can be nationally trained and federally licensed to handle refrigerants under ARCtick, yet still face inconsistent state-based licensing barriers to perform substantially equivalent HVAC work across Australia

AMCA's Key Positions

1. The Interim Report correctly identifies fragmentation as the core problem, but proposed AMR reforms address symptoms rather than root causes.
2. National licensing of HVAC trades — commencing with RAC technicians — is the appropriate reform pathway, not a distant future option.
3. The ARCtick licence demonstrates that a nationally consistent licensing framework for HVAC trades is achievable. It is the model to build from — with states administering a nationally agreed scope, not a new federal bureaucracy.
4. A nationally agreed scope-of-work framework, with states and territories retaining regulatory administration, is the minimum viable reform for broader HVAC licensing.
5. MR and AMR can function at the professional registration level where frameworks are broadly aligned; they are structurally unsuited to HVAC trade licensing where divergence is fundamental.
6. High-risk HVAC occupations must retain rigorous entry standards under any national framework. National licensing should mean consistent standards, not a race to the lowest bar.

ABOUT OUR INDUSTRY

Heating, air conditioning and ventilation (HVAC) is a significant industry. It contributes over $8 billion to the Australian economy annually, has over 6,400 businesses, and employs over 18,900 people.

The services provided by these businesses are omnipresent in the homes, workplaces and public buildings occupied by the entire community, providing safe, comfortable, healthy, and productive spaces for people to live, work, and recreate.

These services include:

- Heating and cooling for comfort, well-being, and productivity
- Ventilation and indoor air quality
- Fire and smoke control systems
- Air purification for hospitals, laboratories, and other sensitive environments
- Climate control and air quality for commercial and industrial facility premises

Post-COVID, the importance of our industry has become even more widely recognised due to the HVAC systems' role in supplying the air we breathe. With people spending around 90% of their time indoors, the air supplied by HVAC systems is a critical factor in respiratory health, mental health and well-being, workforce productivity, and general quality of life.

The sector's importance is further emphasised by the fact that HVAC systems account for approximately 50% of a building's energy consumption. Indeed, in buildings with older or less efficient systems, HVAC can account for upwards of 75% of total energy usage.

CONSULTATION FOR THIS SUBMISSION

In preparing this submission, AMCA Australia has consulted the following groups:

- Our State Based Advisory Boards, comprising business leaders from large, medium, and small mechanical contracting, services and maintenance businesses in all jurisdictions.
- Our National Technical Committee, comprising mechanical engineers registered under various state-based registration schemes.
- Our National Service and Maintenance Committee, comprising service and maintenance managers and trade practitioners operating across all states both locally and in national service arrangements.

These groups would welcome the opportunity to discuss any issues or views raised in our submission.

1. AMCA'S POSITION: STRUCTURAL REFORM, NOT SYMPTOM MANAGEMENT

1.1 The Interim Findings Confirm What Industry Has Experienced

AMCA strongly endorses the Council's recognition in Finding 5 that mutual recognition schemes work best where there is a high level of regulatory alignment between jurisdictions, and in Finding 2 that the effectiveness of AMR is significantly limited by Queensland's non-participation and widespread occupational exemptions. These findings directly reflect the experience of AMCA's members operating across all jurisdictions.

The interim findings also acknowledge in Finding 14 that the potential for national licensing is real and that some occupations are particularly well-suited to a national model. AMCA submits that RAC technicians are the strongest immediate candidate, followed by the broader range of HVAC trades. The Council's graduated approach should treat these occupations as priorities for action, not candidates for a future review cycle.

Finding 12 is equally significant: the report recognises that regulatory inconsistencies are likely to worsen over time as state licensing regimes continue to evolve independently, and that stronger institutional arrangements are needed to encourage national regulatory consistency. This directly supports AMCA's concern that AMR will continue to deteriorate as a practical tool if jurisdictions continue to independently amend licence categories, scope definitions and local requirements without a nationally coordinating framework.

1.2 Strengthening AMR Alone Will Not Fix the Problem

The interim findings rightly note that MR and AMR schemes are failing to fully compensate for fundamentally divergent regulatory regimes in trades such as electrical, engineering, plumbing and construction. AMCA submits that HVAC trades belong firmly in this category.

Proposed reforms to streamline AMR — including digital licensing registers, improved information sharing, and updated equivalency declarations — are useful administrative improvements. AMCA does not oppose them. However, they cannot resolve the structural incompatibilities that make AMR unworkable for HVAC:

- Queensland — Australia's second most populous state — does not participate in AMR. No digital register or notification system can bridge that gap. For AMCA members with national service and maintenance contracts, this single factor effectively nullifies the AMR scheme.
- Licence classes, scopes of work and supervision requirements for equivalent HVAC work differ materially across jurisdictions. Streamlined notification of an unrecognised or non-equivalent licence delivers no practical benefit.
- Refrigeration and air conditioning work is not treated consistently across Australia. In some jurisdictions it interacts with mechanical services plumbing frameworks; in others it may be regulated through building, plumbing, electrical or contractor licensing structures. These differences mean businesses must still undertake a detailed jurisdiction-by-jurisdiction assessment of what work can lawfully be performed, by whom, and under which licence conditions — regardless of AMR.
- Nationally recognised training qualifications (Certificate III in Air Conditioning and Refrigeration) are systematically disconnected from state licensing entry requirements. AMR cannot resolve this mismatch.

AMCA's assessment is that continued investment in AMR reform, without parallel action on underlying licensing structures, will produce diminishing returns. As the Interim Report notes in Finding 8, equivalence tables and Ministerial Declarations are out of date and difficult to maintain and Finding 9 identifies that information on MR obligations is dispersed across multiple state-based websites with technical language and no clear occupation-specific guidance. For AMCA members,

however, this is not simply an information problem. The difficulty in understanding AMR or MR pathways is often a symptom of the deeper issue: the underlying licence categories and scopes do not align cleanly across jurisdictions. Better information about a fundamentally incoherent system does not make the system coherent.

AMCA members have reported that the combined effect of administrative burden, scope uncertainty and state-by-state licensing differences materially reduces the value of AMR and MR pathways. In many instances, subcontracting work to a local provider becomes more commercially viable than mobilising a directly employed workforce — even where this results in margin loss or reduced control over delivery. The following case study illustrates this directly.

Case Study 1: NSW Contractor Cannot Rely on AMR to Deploy Labour Interstate

A specialist HVAC mechanical services contractor based in New South Wales, operating service and maintenance contracts across multiple jurisdictions, reports that it routinely subcontracts HVAC maintenance and installation work in other jurisdictions, like Tasmania, rather than deploying its own directly employed workforce.

The company holds the relevant licences in NSW, the AMR framework does not operate effectively for its scope of HVAC work in Tasmania and no AMR in Queensland. The combination of jurisdictional variation in licence class recognition, local law obligations, and uncertainty about the scope of work permissible under an AMR notification means that subcontracting to local providers is the commercially rational choice — despite the margin loss and reduced delivery control that results.

The result is higher costs for the building owner, reduced margins for the contractor, and a national workforce that cannot be deployed nationally. AMR was designed to eliminate exactly this barrier. In practice, for HVAC work between states, it has not.

1.3 Where MR and AMR Can Work — and Where They Cannot

AMCA acknowledges that mutual recognition can function more effectively at the level of professional registrations, where licensing frameworks tend to be more closely aligned and the population of registrants is more mobile by nature. The interim findings reflect this, noting that MR and AMR provide genuine value in some sectors and for some occupations. For professional engineers, where common competency standards and a culture of national professional practice exist, MR and AMR provide a more viable mechanism — albeit with significant residual friction, as the Council's own case studies and Finding 6's observations about local law requirements make clear.

At the HVAC trade licensing level, the structural conditions for effective mutual recognition simply do not exist. Licence classes are not equivalent. Scopes of work are not harmonised. Competency frameworks vary. Queensland — the largest non-participating jurisdiction — sits entirely outside the AMR scheme. In this environment, mutual recognition is not a bridge: it is a patchwork over gaps that cannot be bridged administratively.

This distinction matters for the Council's recommendations. Reform approaches appropriate for professional registration schemes are not directly transferable to trade licensing environments where structural divergence is greatest. The HVAC sector requires structural reform. Administrative tools designed for different conditions will not deliver it. Even at the professional level, where the MR pathway is more viable in principle, the ongoing burden of maintaining multiple registrations across jurisdictions remains a material cost for individuals and businesses — as the following case study demonstrates.

Case Study 2: Engineer Holding RPEQ, NSW Registration and Victorian Registration for Identical Work

A mechanical engineer employed by a national HVAC engineering consultancy holds three separate professional registrations for substantially the same scope of work:

- Registered Professional Engineer Queensland (RPEQ) — required to sign off on HVAC engineering work in Queensland;
- Professional Engineer registration in New South Wales — required for certain building classes under the NSW framework; and
- Professional Engineer registration in Victoria.

Each registration carries separate annual fees, separate renewal obligations, separate continuing professional development (CPD) reporting requirements, and separate endorsement conditions. The engineer performs substantially identical mechanical engineering work across all three jurisdictions under national contracts. MR and AMR provide some pathway to obtaining these registrations, but they do not eliminate the ongoing obligation to maintain three separate licences with different administrative cycles, different renewal dates and different regulatory interactions.

This case illustrates that even at the professional level — where MR and AMR function more effectively than at the trade level — the administrative burden of multiple registrations remains a genuine and material cost. For HVAC trade licensing, where the underlying frameworks are far less aligned, the burden is correspondingly greater and the MR pathway is far less reliable.

1.4 Integrity, Safety and Standards

AMCA supports national licensing precisely because it can deliver consistency and rigour — not because it represents an opportunity to lower the bar. HVAC work — including refrigeration, mechanical services, medical gas and fire/smoke control systems — carries genuine health and safety risks. Any national licensing framework must maintain high entry standards, ongoing competency requirements and robust enforcement.

The risks identified in Findings 3, 4 and 13 — jurisdiction hopping, licence uplifting, training quality concerns and fraudulently obtained credentials — are more likely to arise where jurisdictions maintain materially different entry requirements, licence scopes and competency expectations. A national licensing model for HVAC trades, commencing with RAC technicians, would provide a stronger platform for managing competency, scope of work, training assurance and compliance oversight than a system that depends on multiple state-based assessments being treated as equivalent after the fact.

AMCA also supports improved regulator information sharing, interoperable systems, digital licence verification and a national licensing register, consistent with Findings 7 and 11. However, AMCA does not consider technology to be a substitute for licensing reform. A digital register may make it easier to identify licence holders, but it cannot resolve fundamental differences in licence scopes, occupational definitions or regulatory obligations.

2. THE CASE FOR NATIONAL LICENSING OF HVAC TRADES

2.1 Starting with HVAC Trades — and Prioritising RAC

HVAC trades are a logical priority for national licensing reform. The sector is nationally mobile, critical to housing, health, commercial buildings, infrastructure, energy efficiency and the transition to lower-emissions building systems. Training and qualification frameworks are already delivered nationally. And the ARCtick refrigerant handling licence already demonstrates that a nationally consistent licensing model in this sector is achievable and consistent with strong safety and regulatory outcomes — without requiring a new federal bureaucracy.

Importantly, the constitutional reality that building regulation is primarily a state and territory responsibility does not preclude the kind of reform AMCA is advocating. A nationally agreed framework can be the first steps towards national licensing, with nationally consistent competency requirements, licence class definitions and scopes of work, which states and territories adopt and administer within their existing regulatory systems. This is precisely the architecture the Australian Building Codes Board (ABCB) developed through its National Registration Framework (NRF) for building practitioners, which emerged from the Building Confidence Report recommendations and was the subject of extensive consultation through 2020–2022. That framework established nationally consistent registration categories and scopes of work for a range of building practitioners — including fire systems installers and plumbers — for states and territories to adopt. AMCA submits that the same model should be applied to HVAC trades, with RAC technicians as the immediate priority.

AMCA's recommended approach is a staged pathway for HVAC trades:

- Refrigeration and air conditioning (RAC) technicians as the immediate first stage, leveraging the existing ARCtick framework;
- Mechanical services and mechanical plumbing trades in the near term, under a federally managed scope-of-work framework;
- Duct installation and medical gas as further stages, aligned with national competency standards; and
- Improved national alignment of engineering registration as a parallel reform stream.

This staged approach reflects Finding 14's observation that a graduated pathway building toward national licensing may be appropriate for occupations that meet the relevant criteria. AMCA submits that RAC technicians meet all of those criteria now: large and mobile workforce, nationally consistent training, existing federal licensing infrastructure, significant AMR exemptions, Queensland non-participation, and strong tripartite industry support.

2.2 RAC Is Ready for National Licensing Now

Refrigeration and air conditioning technicians represent the clearest and most immediately achievable first stage for national HVAC licensing. RAC meets every criterion the Interim Report identifies in Finding 14 as making an occupation suited to national licensing:

- The RAC workforce is large, nationally distributed and highly mobile, particularly for infrastructure, commercial fit-out, and service and maintenance work under national contracts.
- RAC is subject to significant AMR exemptions and is effectively excluded from AMR in practice by Queensland's non-participation.
- Cross-border and remote service delivery is common in RAC, particularly in national service and maintenance contracts covering multiple sites across jurisdictions.
- Training and qualification frameworks are already fully national. The Certificate III in Air Conditioning and Refrigeration is delivered uniformly under a single national training package across every state and territory.

- Strong industry support for national licensing has been confirmed through AMCA's consultation with state-based advisory boards, its national technical committee and its national service and maintenance committee.

AMCA submits that Finding 14 understates the strength of the case for national licensing in RAC and HVAC trades. The characteristics the Council identifies as making occupations suited to national licensing — large and mobile workforce, AMR exemptions, cross-border remote work, and tripartite support — are all present in RAC. AMCA urges the Council to move from a finding that national licensing "may be desirable" to a recommendation that it should be prioritised for HVAC trades, with ARCtick as the implementation model. The following case study illustrates precisely why the current system fails a worker who is, in every meaningful sense, already operating within a national framework.

Case Study 3: Nationally Qualified, Federally Licensed — But restricted in Tasmania

A refrigeration and air conditioning technician completes a Certificate III in Air Conditioning and Refrigeration — a nationally recognised qualification delivered under a single national training package, consistent across every state and territory. Upon completing their qualification and the required trade experience, the technician obtains their ARCtick licence (RAC01) from the Australian Refrigeration Council under federal legislation. This licence is recognised in every Australian jurisdiction and authorises the technician to handle refrigerants nationally without any interstate notification or application.

The technician accepts a position with an HVAC contractor performing commercial refrigeration and air conditioning installation and maintenance work in Tasmania. They discover that Tasmania requires an additional state-based occupational licence to perform this scope of HVAC installation and service work — a licence with its own application process, assessment requirements and fees, not accessible through AMR on the same terms as other jurisdictions.

The practical result: a technician who is federally licensed (ARCtick RAC01), nationally qualified (Certificate III), and demonstrably competent to perform the work cannot simply commence that work in Tasmania. The very licence that demonstrates their core competency is recognised nationally for refrigerant handling, yet the broader scope of their trade work faces a state-based barrier that AMR does not effectively resolve.

This is not a problem that better information or streamlined notification can solve. It is a structural failure that requires structural reform: national licensing of RAC technicians, built on the ARCtick model, that extends federal recognition to the full scope of RAC work.

2.3 The ARCtick Licence: A Working Model for National Licensing

The most powerful argument for national RAC licensing already exists in practice. The ARCtick licence, administered by the Australian Refrigeration Council under the Ozone Protection and Synthetic Greenhouse Gas Management Act 1989 (Cth), is a federally regulated licence that authorises technicians to handle refrigerants. It operates uniformly across all Australian jurisdictions, is recognised by every state and territory, requires no interstate notification or additional application, and is managed through a single national registration system with a publicly accessible digital register.

ARCtick demonstrates conclusively that a national licensing model for HVAC trades is administratively feasible, operationally effective and consistent with strong safety and environmental outcomes. It is not a theoretical model — it is a functioning system that every RAC technician in Australia already uses.

ARCtick: A Proof of Concept for National RAC Licensing

The ARCtick licence is administered by the Australian Refrigeration Council under federal legislation. It is recognised in every jurisdiction without exemption.

Every RAC technician in Australia already holds a nationally consistent federal licence for refrigerant handling. The question is not whether national licensing works in this sector — it already does. The question is why the broader scope of RAC installation, commissioning and maintenance work remains trapped in a fragmented, state-based system that produces the exact barriers the Interim Report identifies.

AMCA proposes that the ARCtick model serve as the design template for a broader nationally consistent RAC licensing framework — with nationally agreed competency requirements, licence class definitions and scopes of work covering the full scope of RAC work, adopted and administered by states and territories.

2.4 Federally Managed Scope as the Minimum Reform Pathway

AMCA recognises that full national licensing may not be achievable across all HVAC disciplines in the immediate term. For broader mechanical services, duct installation, plumbing and medical gas work, a federally managed scope-of-work framework represents the minimum viable reform pathway.

This is not a novel architecture. The ABCB's National Registration Framework for building practitioners, developed in response to the Building Confidence Report, established precisely this model for a range of building trades: nationally agreed registration categories, scopes of work and competency requirements, adopted and administered by each jurisdiction within its own regulatory framework. AMCA submits that HVAC trades — particularly RAC and mechanical services — should be incorporated into any further development of that framework, or an equivalent intergovernmental process.

Under this approach, governments would establish nationally consistent definitions of licence classes and associated scopes of work through an intergovernmental mechanism such as the Building Ministers Meeting, while states and territories retain regulatory administration. This stops short of a single national licence but would:

- Eliminate the root cause of licence equivalency uncertainty by providing a single authoritative scope reference;
- Enable mutual recognition to function as intended, because the licences being recognised would be genuinely equivalent;
- Reduce the administrative burden of interstate compliance without requiring a full Commonwealth takeover of licensing functions; and
- Create a clear pathway to full national licensing as harmonisation matures.

Such reform would reduce duplicate licensing and application processes, improve labour mobility and workforce deployment, align licensing with national training and qualification frameworks, provide clearer scope of work and compliance expectations, and support consistent safety and consumer protection outcomes.

3. AMCA'S RECOMMENDATIONS

AMCA makes the following recommendations to the Council for inclusion in its final report to CFFR. These recommendations are directly responsive to the Interim Report's findings and reflect AMCA's position that the final report should distinguish clearly between occupations where AMR can be improved and occupations where AMR is structurally inadequate. For HVAC trades, national licensing is the preferred reform pathway.

Recommendation 1: Identify HVAC trades as a priority area for national licensing reform in the final report, commencing with refrigeration and air conditioning technicians as the first-stage priority.

Recommendation 2: Use the ARCtick licence as the design template for a nationally consistent RAC licensing framework. Governments should establish, through an appropriate intergovernmental mechanism, nationally agreed competency requirements, licence class definitions and scopes of work covering the full scope of RAC installation, commissioning and maintenance work

Recommendation 3: Establish a federally managed scope-of-work framework for broader HVAC disciplines — including mechanical services, duct installation and medical gas work — as the minimum viable reform pathway.

Recommendation 4: Align national training packages directly with national licensing requirements, eliminating the current disconnect between nationally delivered qualifications and state-based licensing entry requirements.

Recommendation 5: Maintain high entry standards in any national framework. The Council should recommend that any national licensing framework for HVAC trades include nationally consistent competency, experience and ongoing professional development requirements. National licensing should mean consistent standards, not a reduction in them.

Recommendation 6: Treat Queensland's non-participation in AMR as an urgent and immediate reform priority. If full national licensing cannot be implemented immediately, CFFR should apply direct pressure on the Queensland Government to join the AMR scheme as an interim measure.

Recommendation 7: Establish a standing national occupational licensing coordination body for HVAC, with responsibility for ongoing regulatory alignment, periodic review of licence class equivalence, competency standards and compliance data.

Recommendation 8: Support improved digital tools, interoperable licensing registers and information sharing between regulators — consistent with Findings 7 and 11 — while making clear that these are complementary to, not a substitute for, structural licensing reform.

4. CONCLUSION

AMCA welcomes the Council's interim findings as a substantive and credible assessment of the challenges facing Australia's mutual recognition schemes. The findings confirm the core of AMCA's original submission: that the fundamental problem in the HVAC sector is not the administration of mutual recognition, but the structural incompatibility of the licensing frameworks it attempts to bridge.

The Council's graduated reform pathway — short-term AMR improvements, medium-term harmonisation and longer-term national licensing where appropriate — is a reasonable framework. AMCA's submission is that HVAC trades, and RAC technicians in particular, should be fast-tracked to the national licensing stage of that pathway. The ARCtick licence demonstrates that this is not a theoretical proposition — it is an achievable, operational model that already exists and that every RAC technician in Australia already uses.

AMCA's position is therefore that the final report should distinguish clearly between occupations where AMR can be improved and occupations where AMR is structurally inadequate. For professional occupations with broadly aligned registration systems, improved AMR, better digital tools and stronger information sharing may be appropriate and sufficient. For HVAC trades, a nationally consistent licensing framework — building on the ARCtick model and the intergovernmental architecture already developed through the ABCB's National Registration Framework — should be the preferred reform pathway, with RAC technicians treated as the first-stage priority.

Australia's HVAC industry deserves a licensing framework that reflects its national character. AMCA and its members stand ready to provide further industry data, case studies and technical expertise to support the development of that framework, and welcome direct engagement with the Council and the tripartite expert group to be convened by CFFR.

APPENDIX A: RESPONSES TO CONSULTATION QUESTIONS

The following provides AMCA's responses to the Council's consultation questions. Responses are concise and technically focused, drawing on member experience across all jurisdictions.

Q1. Feedback on interim findings

AMCA endorses Findings 2, 5, 12 and 14 as the most significant for the HVAC sector, and submits that they collectively point toward national licensing as the appropriate reform pathway. Finding 2 (Queensland non-participation and AMR exemptions), Finding 5 (MR works best with regulatory alignment), Finding 12 (regulatory inconsistencies will worsen without structural reform) and Finding 14 (national licensing desirable for some occupations) together establish the logical case for national HVAC licensing that the final report should make explicit. AMCA cautions against over-reliance on Finding 1 as a basis for deferring structural reform in trades where the conditions for effective mutual recognition do not exist.

Q2. Evidence of MR/AMR improving productivity or reducing skills shortages

AMCA's consultation with members has not identified evidence that MR or AMR has materially improved workforce mobility, productivity or skills deployment in the HVAC sector. The predominant experience is that AMR is either inapplicable (Queensland), subject to significant exceptions, or does not address the practical barriers to interstate deployment. The most commonly reported workforce strategy for cross-border HVAC work remains subcontracting to local providers — a direct indicator that MR/AMR is not delivering its intended outcome.

Q3. Safety or quality differences under MR/AMR vs locally licensed workers

AMCA is not aware of data indicating materially different safety outcomes between locally licensed and MR/AMR workers in the HVAC sector. However, the ambiguity created by inconsistent licence scopes — where a worker may be unclear whether a specific task falls within their recognised scope in another jurisdiction — creates compliance risk that is difficult to quantify. A national licensing framework with a single consistent scope of work would eliminate this ambiguity and reduce regulatory risk for both workers and employers.

Q4. Jurisdiction hopping and licence uplifting

AMCA does not have specific data on the prevalence of jurisdiction hopping or licence uplifting in the HVAC sector. However, the structural conditions that enable these practices — inconsistent entry requirements and scope variations across jurisdictions — are well-documented in our industry. National licensing with consistent entry standards would eliminate the incentive and opportunity for jurisdiction hopping by removing the variation in entry requirements that makes it possible.

Q5. Training quality and fraudulently obtained credentials under MR

AMCA shares industry-wide concerns about training quality and the integrity of some RTO assessments. These are structural issues with the VET sector that sit outside the direct scope of mutual recognition reform. However, they reinforce the case for a national licensing authority with the capacity to apply consistent quality controls at the point of entry, rather than relying on the first jurisdiction's assessment under the MR Act.

Q6. Consumer information on worker competency

Consumer access to information about HVAC workers' licence status and competency is inadequate. The absence of a national licensing register means consumers cannot easily verify credentials. A national HVAC licence with a publicly accessible digital register — similar to the ARC licence register, which already provides this function for ARCtick holders — would significantly improve consumer information and confidence.

Q7. Other factors constraining MR/AMR effectiveness

The disconnect between nationally recognised qualifications and state-based licensing entry requirements is a significant factor not fully addressed in the interim findings. A technician completing the Certificate III in Air Conditioning and Refrigeration receives a nationally consistent qualification, yet faces materially different licensing pathways in different jurisdictions. This misalignment means that mutual recognition cannot deliver on its promise of treating equivalently qualified workers as equivalent. Structural resolution requires aligning licensing entry requirements with national training packages at a national level.

Q8. Are AMR exemptions proportionate? Which occupations should be prioritised?

AMCA submits that exemptions applying to RAC and HVAC trades are not proportionate to risk, and that RAC technicians should be prioritised for inclusion in AMR as an immediate interim step pending full national licensing. The risk profile of RAC work is well understood and managed through existing safety frameworks including the ARCtick system. There is no sound technical justification for exempting RAC from AMR, and the exemptions in place appear to reflect jurisdictional inertia rather than deliberate risk-based regulatory design.

Q9. Delays, regulatory differences, and local law requirements

Local law requirements — including insurance obligations, on-site supervisor requirements and additional compliance documentation — impose significant barriers to HVAC businesses operating interstate, even where AMR is technically available. In practice, the combination of notification requirements, local law compliance and scope-of-work uncertainty makes interstate deployment operationally comparable to a full licence application. AMCA recommends that any national licensing framework include a nationally consistent set of ancillary obligations to remove this layer of jurisdictional variation.

Q10. Time and resources spent on MR/AMR compliance

AMCA member businesses report spending significant management time on interstate licensing compliance. For businesses operating national service and maintenance contracts, licensing administration is a material overhead. One national contractor reported that interstate licensing and compliance management accounts for the equivalent of one full-time staff position across the business. For small contractors, the burden is proportionally higher, and many report declining cross-border work rather than managing the complexity — a direct productivity loss that the current system imposes on both businesses and the customers they serve.

Q11. How notification requirements affect short-term or urgent work

AMR notification requirements are a practical barrier to short-term and urgent HVAC work deployment. HVAC maintenance and emergency repair work is frequently time-sensitive — a failed cooling system in a hospital, data centre or aged care facility requires immediate response. Notification requirements that involve any processing time are incompatible with the operational realities of emergency service work. National licensing, with no notification requirement, is the appropriate framework for a sector where rapid deployment is operationally critical.

Q12. Regulatory practices most effective in supporting workers under MR/AMR

The ARCtick system administered by ARC is the most effective regulatory tool in the HVAC sector for supporting worker mobility. It is nationally consistent, digitally administered, requires no interstate notification or application, and maintains a publicly accessible national register. It is the model the broader HVAC licensing framework should adopt. Beyond ARCtick, AMCA is not aware of state-based regulatory practices that have materially improved the MR/AMR experience for HVAC workers.

Q13. Most difficult aspects of MR/AMR to understand

Scope-of-work equivalency is consistently the most difficult aspect for HVAC businesses to navigate. Even where a licence is technically recognised under MR or AMR, workers and employers face genuine uncertainty about whether specific tasks fall within the recognised scope in the destination jurisdiction. This uncertainty creates compliance risk and deters interstate deployment. A federally managed scope-of-work framework, or full national licensing, would resolve this by providing a single authoritative reference.

Q14. Fit-for-purpose assessment of the MR Act

The MR Act is not fit for purpose for HVAC trades. It was designed for a licensing environment with greater regulatory alignment than currently exists in HVAC, and it does not have mechanisms to compel jurisdictional participation or harmonisation. The Act's equivalency assessment framework is particularly unworkable where licence classes are structurally dissimilar. Remote and cross-border HVAC work — increasingly common in national service and maintenance contracts — is not effectively addressed by a framework premised on workers being physically present and licensed in a 'home state'. The engineer registration case study at Section 1.3 of this submission illustrates this problem; it applies with equal or greater force to HVAC trade licensing.

Q15. Improving data collection for evidence-based regulation

AMCA supports establishment of a national licensing register for HVAC trades that would generate the data needed for evidence-based regulation. The ARC licence register provides a model: it enables ARC to track licence numbers, renewal rates and geographic distribution of qualified technicians. Extending this data infrastructure to broader HVAC licensing would provide regulators and policymakers with the evidence base currently absent.

Q16. Aspects of the MR Act hindering effectiveness

The 'home state' requirement under AMR is a significant technical barrier for HVAC workers and businesses. Workers who hold licences in multiple jurisdictions — common in the sector — may find that AMR is unavailable or complicated because the jurisdiction they are seeking to work in is not their designated home state. This reflects a structural limitation in the AMR design that is incompatible with the national service and maintenance contract model prevalent in HVAC and cannot be resolved through administrative reform.

Q17. Practical steps to remove unnecessary barriers to a national labour market

- **Immediate:** Secure Queensland's full participation in AMR as an emergency reform priority.
- **Short-term:** Establish a nationally consistent scope-of-work framework for RAC and HVAC trades under federal legislation.
- **Medium-term:** Implement full national licensing for RAC technicians, using ARCtick as the administrative model, with ARC or an equivalent body as the national licensing authority.
- **Near-term parallel:** Commence harmonisation work for mechanical services, duct installation and medical gas licensing under a federally managed framework.
- **Ongoing:** Establish a standing intergovernmental body to maintain national consistency in HVAC licensing as technologies, qualifications and regulatory requirements evolve.

Q18. Which occupations would benefit from national licensing?

AMCA submits that RAC technicians should be the first HVAC occupation to transition to national licensing. The characteristics that make RAC suited to national licensing include: a large, nationally distributed and highly mobile workforce; nationally consistent training qualifications under a single training package; an existing federally administered licence (ARCtick) that demonstrates the model is achievable; significant AMR exemptions and Queensland non-participation that make AMR largely

inoperative; high prevalence of national service and maintenance contracts requiring seamless cross-border deployment; and strong tripartite industry support.

Longer term, AMCA considers reform should also examine national or nationally consistent licensing for mechanical services/mechanical plumbing, duct installation, medical gas, and improved national alignment of engineering registration across jurisdictions.

The primary transition risks to manage are: ensuring existing state-based licensees transition without disruption; maintaining entry standards during the transition period; and ensuring the national licensing authority has adequate resourcing and regulatory capacity from day one. AMCA stands ready to work with government to develop transition arrangements that manage these risks effectively.

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