



Australian Government



Australian
**Small Business and
Family Enterprise**
Ombudsman

2 February 2021

Deregulation Taskforce
Department of Prime Minister and Cabinet
PO Box 6500
Canberra ACT 2600

via upload

Dear Sir/Madam

Automatic mutual recognition exposure draft legislation

Improving Australia's mutual recognition scheme (the Scheme) will provide substantial benefits to the small business sector and community if implemented correctly. However, the following challenges must be considered leading up to and beyond the regulatory change:

- 1. Different licensing requirements, structures and fees across jurisdictions.** A small business will be at a material disadvantage if they have to compete with another business whose home state has lesser qualification requirements and fees for licensing. Regional small businesses in border communities are likely to be particularly affected in this way. An example is company building contract licences, which in New South Wales currently cost \$989 for a 3 year renewal, while in Queensland the same renewal cost \$1482.70.¹
Beyond these amendments to the scheme, work must continue in harmonising state and territory licensing fees and standards. Ensuring that across the country, fees are equal and at lowest cost to business while funding standards to the appropriate level is critical. The Australian Building Codes Board should be considered as a model for this cooperation.
- 2. Ensuring small business and workers are aware of changes when they occur.** Greater labour mobility will only occur under the scheme if business and workers understand these regulatory changes.
Government must engage with industry associations and unions as implementation partners to raise awareness with these key audiences.

Thank you for the opportunity to comment. If you would like to discuss this matter further, please contact Mr Eamon Sloane on 02 6213 7451 or at eamon.sloane@asbfeo.gov.au.

Yours sincerely

Kate Carnell AO
Australian Small Business and Family Enterprise Ombudsman

¹ <https://www.fairtrading.nsw.gov.au/help-centre/fees/home-building-fees>;
<https://www.qbcc.qld.gov.au/renew-update-or-surrender-your-licence/renewal-fees>.