

Comment – Master Electricians Australia

Comment

MEA thanks QPC for its thorough review of stakeholder feedback.

We have attached our submission detailing productivity barriers, in particular those impacting the electrical industry.

Opportunities to Improve Productivity of the Construction Industry

Response to Interim Report
QLD

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Introduction

Master Electricians Australia (MEA) is a peak industry association representing electrical contractors and is recognised by industry, government and the community as a leading business partner, knowledge source and advocate. You can visit our website at www.masterelectricians.com.au

MEA welcomes the opportunity to provide further targeted feedback to the Queensland Productivity Commission's (QPC) Interim Report. We commend the QPC on its thorough interim review, responding to stakeholder concerns by accurately highlighting key barriers to enhanced productivity in Queensland.

Our submission, on behalf of electrical contractors, highlights practical reforms that can improve productivity, reduce unnecessary regulatory burden, and strengthen workforce capacity.

The electrical contracting sector is essential to delivering Queensland's infrastructure, housing, and renewable energy targets. However, small businesses, which make up the majority of the construction sector, face disproportionate compliance pressures, contractual imbalances, and administrative requirements that divert resources from productive work and erode profitability. These challenges are compounded by frequent legislative changes, duplicative processes, costly access to essential standards, and ongoing delays in network connections.

The inconsistent pipeline of work further strains industry capacity, and insufficient training and supervisory resources limit the number of apprentices that can be employed.

Security of payment remains an enduring concern, with many subcontractors exposed to long payment delays, withheld retentions, and contractual terms weighted heavily in favour of head contractors.

These challenges compound existing supply and demand pressures, driving up costs and delaying construction timelines. As the Government works to increase housing supply, ensure reliable and affordable energy resources, and prepares for the Queensland Olympics, it is vital to reduce unnecessary red tape that places undue burden on small and medium (SME) electrical contractors which ultimately impacts the broader Queensland construction economy.

MEA's recommendations focus on ensuring regulatory proportionality, streamlining compliance processes, resolving connection delays, addressing payment and contracting imbalances, and supporting a skilled workforce. By implementing these measures, Queensland can foster a more competitive, resilient, and productive construction industry, while maintaining high standards of safety, quality, and consumer protection.

MEA's Priority Recommendations for the QPC

Below are MEA's top priority recommendations to address productivity challenges in Queensland's construction industry.

For the full list of MEA's recommended steps to improve productivity in the Queensland construction industry, please refer to Appendix B of this submission.

1 *Security of Payment*



Establish a **central holding facility** to hold all retention money, with option to extend to non-cash securities



Permit parties to swap **non-cash security** with cash retention (and vice versa)

2 *Fairness in Contracting*



Prohibit contracts that tie **subcontractor practical completion** to head contractor completion



Require payment of **subcontractor prolongation costs** (for delays outside the reasonable control of the subcontractor) on government projects



Require **amendments to standard form contracts** to be easily identifiable



3 *Small Business and Supervisor Incentives*

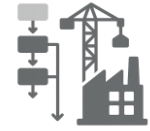


Provide **incentive payments** to small businesses and supervisors training apprentices.




4 *Government Procurement Policy*

-  Require a minimum number of **first year apprentices** in government training policies.
-  Implement **published project scorecards** against outcomes sought at business case /tender scoring the project







5 *Better Use of Technology in Training*

-  Incorporate **technology** in **training** (e.g. Virtual Reality) to reduce reliance on physical facilities and trainers.



6 *Improved Timeframes for Energy Connections*

-  **Guarantee Service Levels (GSL)** to only be waived where the contractor has provided written agreement to an extension and waiver, or where delays are due to a genuine defect not contributed to by EQL, and where a connection could not safely be performed.
-  Implement a **free, efficient review mechanism** to allow electricians to contest defect notices or supply requirements.
-  Defect notices must **specify the exact nature of the defect** and reference the relevant sections of the *Wiring Rules* or *Connections Manual*.
-  EQL should revise procedures to ensure **connections, repairs, and alterations** proceed wherever possible to avoid unnecessary delays.





Energy and Water Ombudsman's oversight of EQL should be broadened, including categorising developers, contractors and builders as "relevant customers" under the *Energy and Water Ombudsman Act 2006*, enabling resolution of industry complaints.



Establish **KPIs** for systemic issues investigations, and have the **ESO review defects** cited as causes of delays to verify genuine safety issues.



Establish an **industry advisory board** to review feedback on Connections Manual updates, and '**grandfather**' installations that were compliant when connected and develop a simpler.



Enable electrical contractors to become **registered Authorised Service Providers (ASPs)** to install smart meters.



Remove the T0911 course requirement for licensed electrical workers to become an **Energex Authorised Person (AP)**, replacing it with a short, targeted training course for accreditation.

7

National Occupational Licensing (NOL)



Participate in and implement a **NOL eligibility framework** for electrical workers, including a nationally consistent **CPD** framework with online access.



8

Pre-Qualification Systems



Streamline prequalification requirements for both head contractors and **subcontractors** by providing a standard prequalification template for use by head contractors when prequalifying their subcontractors.



9

Free Access to Legislated Australian Standards



Collaborate with other governments and industry to provide **free access** to mandatory Australian Standards.



10

Safeguards for Reasonable Conditions



A **framework to ensure fair conditions** should be considered in consultation with unions and industry bodies, including subcontractors.



Responses to Interim Report

Improving Project Selection and Sequencing

PC Reform Direction 1 - Governance and Oversight of Infrastructure Decisions

In response to the Commission's request for further information, MEA submits:

- The timing of government capital works programs significantly impacts workforce shortages, particularly in regional areas. If Government planned its pipeline of major projects for a minimum of four years, regional apprentices could be engaged and supported to complete their training locally. It is also important to note that where Government pauses or cancels a pipeline of projects, subcontractors who have invested resources in preparation are left facing redundancies and financial strain.
- Regional project pipelines could also support programs to attract skilled migrant workers to Queensland, providing secure employment without diminishing opportunities for the local workforce. This would require advanced planning to attract skilled workers, have the gap training undertaken and provide suitable housing for the duration of the projects. Such housing could be transportable modular homes for example.

MEA's Recommended Actions –Infrastructure Decisions



- **Advanced Capital Works Project Planning** - Government commit to a minimum 4-year uninterrupted pipeline for capital works programs.
- **Migrant Workers on Regional Projects** - Invest in attracting migrant workers to regional projects, complemented with gap training.

General Procurement Policies

PC Recommendation 3 – Queensland Government Procurement Policies

General Procurement Policies

MEA believes the myriad of procurement policies automatically applying to all projects causes unnecessary complexity and increased costs, potentially without commensurate benefit.

As an alternative, social outcomes should be selected specifically for projects, perhaps with a maximum number of these priorities identified as non-price criteria in the tender process. For example, a project in regional Queensland may seek to improve engagement of local suppliers and contractors, first nations participation and apprentice training in key trades. These could be nominated as non-price tender criteria and weighted according of importance to the project owner. Ideally, contractors (tenderers) would be able to nominate a solution to meet the desired outcome to encourage innovation.

It is essential that both government and head contractors understand that responsibility for meeting procurement targets should be a ***whole-of-project*** commitment. This responsibility should be shared and managed collaboratively by the entire project team including the client, head contractor, and key subcontractors rather than being pushed down the supply chain.

Regular project team check-ins should be conducted to review progress, address emerging issues, and remove any roadblocks to achieving the agreed social outcomes.

To support effective enforcement and monitoring, MEA recommends the introduction of project scorecards that assess whether the outcomes sought at tender (or business case) have been achieved. This would create greater transparency and accountability.

Additionally, government should work closely with contractors during the tendering process to ensure proposed strategies are realistic, practical, and capable of meeting the set targets.

We provide some additional commentary below:

First Year Apprentices

The electrical industry faces a severe skills shortage, with small businesses training the bulk of apprentices.¹ Under the ***Construction Training Mandate***, contractors must allocate 15% of total labour hours on large government projects to apprentices, trainees, or other workforce training. However, there is no requirement for these to be new entrants (i.e., first year apprentices), or apprentices over trainees. As a result, large contractors often meet their obligations by recruiting advanced apprentices (i.e. third and fourth year apprentices) from smaller firms, undermining workforce development and small business viability, or relying on trainees.

This is particularly problematic in regional areas, where large government contractors can recruit more advanced electrical apprentices from local employers to fulfil procurement requirements, leaving communities with fewer skilled workers for local projects. In these areas, large construction contractors could meet first-year apprentice requirements through flexible sourcing strategies, such as regional training partnerships.

MEA contends that amending the ***Construction Training Mandate*** to require first year apprentices in certain sectors would provide a net community benefit in light of future productivity.

The QPC has expressed concerns that apprentice procurement requirements may elevate project costs, reduce site productivity, and place apprentices on projects where the productivity gap with qualified workers is greater.

¹ Data Dashboard - Powering Skills Organisation

MEA considers these short-term impacts marginal compared to the long-term benefits of a larger, better-trained workforce. Value for money should be assessed over the life of the project, recognising benefits such as stabilised wage growth, stronger local economic resilience, and reduced project delays, all of which directly align with Queensland's productivity and growth objectives.

In particular, procurement-based requirements for first-year apprentices and more female construction workers are not about short-term efficiency; they are about strategically growing the workforce in industries where it is most needed for long-term productivity. Without a structured, enforceable entry pathway, apprentice commencements will remain low, further exacerbating labour scarcity and increasing project costs.

Allowing large businesses to train workers flexibly when it suits them, as suggested in the interim report, will likely result in training being deferred potentially indefinitely, particularly by large businesses that have historically underinvested in apprenticeships.

Procurement-linked requirements are the most reliable mechanism to ensure larger contractors take responsibility for workforce development. Targeted first-year apprentice quotas do not prevent advanced apprentices from moving employers at their own will, but ensures that such movements are accompanied by new entrants to the trade, expanding the total talent pool rather than simply reshuffling it.

A first-year apprentice procurement requirement would strengthen small business competitiveness by reducing apprentice poaching and grow the overall talent pipeline.

A targeted approach requiring a certain number of first year apprentices would address the view identified in the Interim Report that procurement policies may not increase overall apprenticeship rates.

Local Content

The rules around which businesses meet the 'local content' requirements are unclear, and genuinely local small businesses can miss out on government project work to businesses based outside the region.

MEA believes government building policies should be reviewed in relation to how they are implemented, including clarification of local content requirements.

Procurement Requirements for Vulnerable Cohorts.

MEA supports measures that grow the pool of a diverse workforce including mature-age, female, and first nations apprentices and workers. However, MEA's support does not extend to the use of quotas, as there is concern they will not expand the overall workforce pool but instead create competition for existing workers. This could lead to perverse outcomes, such as pulling staff from active projects to meet quota requirements on tenders, or increased poaching of workers.

It is also important to note that large contractors often rely on subcontractors to meet these requirements. However, many small businesses lack the ability to assist in meeting quota requirements given the current demographic composition of the construction workforce. This risks creating an anti-competitive policy that excludes capable subcontractors from successfully tendering for projects.

MEA supports workforce targets provided these are backed by measures to grow the pool of targeted workers.

Queensland Prequalification System (PQC)

MEA recommends streamlining prequalification requirements for both head contractors and subcontractors, and urges the Queensland government to incorporate this approach as part of its PQC framework review.

For subcontractor businesses, differing prequalification processes adds unnecessary cost and complexity to tender participation. Some subcontractors require additional

personnel to complete the administrative tasks associated with providing the same information in different formats for different head contractors. In addition, Government often requires a multitude of internal policy documentation to be demonstrated by SME businesses tendering for Government work.

Alternatively, a standardised format provided by the Government for its projects, for use by head contractors when prequalifying subcontractors, would improve productivity.

MEA seeks for this measure to be extended to the private construction market over time, which is foreseeable if Government leads the way.

Not only will this enhance productivity on government projects, but it will also lift productivity in the private construction market, generating an overall increase in Queensland's construction sector performance. It will also directly support the Queensland Government's regional procurement objectives by making it easier for local SMEs to compete on government tenders without facing disproportionate administrative barriers.

Benefits of a standardised prequalification format include:

- Reduced costs
- Certainty and consistency for subcontractors across public and private markets.
- Elimination of duplication and reduced administrative costs.
- Maintenance of capability assurance through a shared, standardised platform with audit rights.

PC Recommendation 4 – Best Practice Industry Conditions (BPIC)

Impacts of BPIC

Workplace health and safety on construction sites is a core priority for MEA. However, in practice, the BPIC was realistically designed to serve as a tool for increased powers for construction unions including through Enterprise Bargaining Agreements (EBAs).

By mandating certain industrial conditions down the supply chain through application of BPIC, subcontractors face increased costs and administrative burden with no corresponding productivity gains.

Further, BPICs has a knock-on effect to the rest of the labour market and these conditions induce workers away from the residential, small commercial and light industrial sectors of the electrical industry to large government projects, worsening skills shortages, inflating residential construction costs, and delaying delivery. The net result is higher costs, longer timelines, and reduced productivity across Queensland's construction sector.

For subcontractors undertaking government projects as only part of their business, they face a difficult choice of implementing different wages and conditions for some workers only, requiring more advanced systems and resources, or increasing wages and conditions across their entire business reducing long-term viability.

MEA supports a review of the BPIC. MEA seeks procurement rules that support flexibility and allow small businesses to compete fairly for major projects.

MEA also supports EBAs that are genuinely negotiated between the parties, that do not provide for conditions to be automatically applied to subcontractors and that do not contain provisions that reduce flexibility, competition or enable unnecessary or disproportionate productivity-reducing practices.

MEA further calls for a procurement code to address barriers faced by subcontractors on major projects, ensuring industrial conditions are not imposed without industry consultation, and that productivity, cost efficiency, and worker choice are balanced alongside safety objectives. For example, matters such as 'jump up' clauses should not be included in agreements that apply to projects under a suitable threshold, such as \$50 million, as these remove a subcontractor's ability to agree to industrial conditions with its own workforce. Large projects that may be relying on migrant workers or with potential for overuse of labour hire for example may be suitable for

different conditions. Any imposed conditions should be subject to genuine consultation with employee and employer groups.

MEA supports a negotiated set of revised industry conditions to incentivise better outcomes on government projects. However, this must include government, industry (including subcontractors) and unions.

As a minimum the negotiated set of revised industry conditions would include those matters identified in the interim report including:

- Excluding unnecessary productivity limiting clauses
- Restricting the pass through of EBA conditions to subcontractors
- Including standardised core clauses to reduce administrative burden
- Including right of entry provisions that prevent the abuse of power by either employers or worker representatives
- Maintaining equal opportunity hiring policies
- Providing clear guidelines for managing contentious workplace health and safety issues, such as work during wet and hot weather events, processes for proportionate responses to workplace health and safety incidents, and requirements for site shutdowns.

Output Time

MEA previously raised concerns about increasing restrictions on overtime for construction workers in Queensland. It is our understanding these restrictions have extended project timelines, increased costs, and worsened skills shortages. We view this as a productivity limiting clause / practice.

Further detail on this matter is outlined on page 16 of our [initial submission](#) to the QPC.

MEA's Recommended Actions – Procurement Policies



- **General Procurement** - Design project procurement requirements to be flexible to accommodate project-specific social outcomes, with a limit on the number of non-price requirements for projects.
- **First Year Apprentices** - Amend the *Construction Training Mandate* to require engagement of a certain number of first year apprentices in certain sectors.
- **Local Content** - Review government building policies to clarify implementation processes, particularly local content requirements.
- **Underrepresented Group Targets** - Workforce targets for underrepresented groups should be backed by measures to grow the pool of targeted workers.
- **Pre-Qualification Systems** - Streamline prequalification requirements for both head contractors and subcontractors. The Queensland government should incorporate this approach as part of its PQC framework review.
- **Project Conditions** - Procurement rules should support flexibility and allow small businesses to compete fairly for major projects.

Contracting for Efficiency

Improving Tendering and Contracting

Digital Technologies

MEA supports the QPC's proposed "digital by default" approach recognising it as a critical enabler for transparency, accountability, and efficiency in contracting.

Digitalisation will not only improve fairness but will also directly address productivity challenges by reducing duplication, improving information flow, and enabling data-driven decision-making across project stakeholders.

In response to the QPC's request for further information, MEA highlights the following as barriers to adoption of digital technologies:

- ***Industry Risk Aversion*** - Legal advisors favour removing all potential risk for their clients. There is a perception, which is incorrect in MEA's view, that digitising project data and using BIM and digital twin technologies increases a party's exposure to claims that would not otherwise arise. We must move beyond a culture of 'blame and claim' in the sector to utilise existing technology and greatly improve productivity.
- ***Absence of a Common Classification Framework*** – There is a lack of a common classification system such as Uniclass or Eclass/ETIM. This is needed to ensure technology can be used to its greatest extent. Digital product data collection via an interoperable traceability framework is also essential to create the digital thread for projects that can greatly improve productivity not just during construction (with digital conformance verification) but also operation and maintenance (digital traceability information).

Tendering Considerations

Whole-of-life costs such as operation and maintenance cost of the facility should be considered rather than simply the up-front build cost. This can include benefits of solar and batteries to reduce energy costs. Tender evaluation using the Price Quality

Method for major projects is an initiative of the Queensland Government that is commended. The agreed upfront cost for the desired outcomes should be outweighed by the benefits gained from the non-price objective, such as increased skilled workers, lower operational costs and higher quality outcomes

Collaborative Contracting Arrangements

These are supported; however, head contractors often secure collaborative terms with the Principal while reverting to 'hard dollar, hard timeframe' subcontracts that push risk down the subcontracting chain. MEA submits if Government selects collaborative contracting models for its head contracts, the same approach must be mandated for subcontracts.

Bundling of projects benefits larger contractors with the capacity to manage multiple projects with a larger workforce, however this can result in excluding smaller businesses from working on those government projects. The impact of this is a lack of medium-sized contractors and subcontractors, with a corresponding lack of competition in the market. To maintain a healthy pipeline of medium-sized contractors and preserve market competition, procurement models should balance the benefits of bundling with measures that ensure fair access for smaller businesses.

Risk allocation

MEA believes that government contracts must allocate risk in a way that protects subcontractors from being forced to carry liabilities they cannot reasonably control or absorb. Risks should sit with the party best able to manage them, taking into account each party's contractual authority, resources, and overall responsibility for project delivery. Government should take measures to prevent "all risk" provisions that unfairly shift head contractor obligations down the supply chain to smaller subcontractors.

MEA welcomes the QPC's acknowledgement of the power imbalance created by one-sided subcontract terms in the construction industry; an issue we have consistently raised and campaigned to address. While commercial arrangements remain the

responsibility of the contracting parties, there are specific areas where government action can deliver meaningful reform.

Consistent with the QPC Interim Report's observations, we continue to raise longstanding contractual concerns that significantly disadvantage subcontractors and hinder project efficiency:

- ***Linking Subcontractor and Head Contractor Practical Completion*** - Subcontractor practical completion should not be linked to head contractor practical completion. This can result in harsh situations such as a subcontractor waiting many months to receive a practical completion payment and return of 50% of retention due to matters unrelated to their scope of work.
- ***Standard Form Amendments*** – MEA supports stakeholder demands for increased utilisation of standard forms in construction contracts. 'Standard form' contracts are rarely used without amendments, and often these are substantial changes. Subcontractors should not have to engage lawyers to review contracts for each tender process to check for changes to standard forms. Departures from standard form contracts must be easily identifiable by way of tracked changes, departures schedule or special conditions of contract.
- ***Lack of Entitlement to Delay Costs*** – It is common for a head contractor to reschedule works or for there to be substantial delays on a project that are not due to any factors within a subcontractor's control. Often subcontractors are not entitled to delay damages in these circumstances. While subcontracts often provide for an extension of time they typically do not provide for delay costs for the subcontractor. Yet, subcontractors incur costs whether it be on site, off site, labour costs, loss of other work, etc. It has become very difficult for subcontractors to price this risk in up front due to the wide-ranging possible delays.

MEA calls on the Queensland Government to adopt the following measures with a view to setting a benchmark for industry practice:

- ***Practical Completion*** – The Queensland Government should make a regulation under s. 67GB of the ***Queensland Building and Construction Commission Act 1991*** (QBCC Act) to prohibit contractual clauses that tie subcontractor 'practical completion' to head contractor 'practical completion'.
- ***Standard Contract Changes*** – The Queensland Government should make a regulation under s.67GA of the ***QBCC Act*** requiring changes to a standard form of building contract be clearly identified (e.g. tracked changes or in a schedule), and any changes not so identified be unenforceable by the party proposing the form of contract.
- ***Unfair Terms*** - The Queensland Government should make a regulation made under s. 67GB of the ***QBCC Act*** that any building contract terms determined as unfair at the federal level are also considered unfair in Queensland building contracts.
- ***Prolongation Costs*** – Government construction contracts should include a requirement for subcontractors to be compensated for delays outside their reasonable control.

By embedding these measures in government contracts, Queensland can lead national reform in both contractual fairness and digital adoption, driving productivity gains and improving the resilience of the construction supply chain.

MEA's Recommended Actions – Contracting for Efficiency



- **Whole-of-Life Cost Considerations** - Consider whole-of-life costs, including operation and maintenance, rather than focusing solely on up-front build costs.
- **Technology Adoption** - Encourage industry adoption of technologies such as BIM and digital twin platforms to drive innovation and productivity, as part of a broader 'digital thread' approach, involving a common classification system and an interoperable digital traceability and conformance framework.
- **Bundling Contracts** - Ensure procurement models balance the benefits of bundling with fair access for smaller businesses, supporting broader industry participation.
- **Unfair Contract Terms** - Prevent "all-risk" provisions that unfairly transfer head contractor liabilities down the supply chain to subcontractors, including by:
 - **Practical Completion** - Ensuring subcontractor practical completion should not be linked to head contractor practical completion.
 - **Standard Contract Changes** - Requiring departures from standard form contracts to be clearly identified via tracked changes, a departures schedule, or special conditions of contract.
 - **Uncontrolled Delays** - Mandating that subcontractors are compensated for delays outside their reasonable control.
 - **Federal and State 'Unfair Terms'** - Aligning Queensland building contracts with federal determinations on unfair contract terms.

Building Regulations

PC Recommendation 11 - Impacts Arising from NCC 2022

MEA cautions against any prospective decision by the Queensland Government to opt-out of the National Construction Code (NCC) provisions, particularly those related to energy efficiency requirements. Reliable and affordable energy is a basic human need and it is vital our built environment does not use more energy than is necessary. Housing stock that requires high energy use for comfortable living impacts the cost of living substantially. While there may be a small increase in the up-front price, the whole-of-life costs of the building will be lower (i.e. the operating costs). Solar panels, energy efficient appliances, home batteries, and EV chargers are all measures that reduce the cost of living for the building's inhabitants.

Thorough industry consultation is required before any changes or 'opt-out' decisions occur, and this must actively include relevant trade sectors impacted by future provisions, such as the electrical industry in relation to energy efficiency measures like mandatory solar PV and infrastructure for EV chargers. The cost-benefit framework should explicitly account for long-term resilience, avoided infrastructure costs, and community-wide energy savings, as well as the operating costs of the building itself, ensuring that decisions are not driven solely by short-term compliance costs.

In our recent submission to the Federal Productivity Commission's *Investing in Cheaper, Cleaner Energy and the Net Zero Transformation (Interim Report)*, MEA highlighted that energy resilience is a critical yet often overlooked element of climate resilience for households and businesses. If not prioritised, inadequate energy resilience can significantly disrupt productivity during outages, an issue that is becoming increasingly acute as the global shift toward remote and home-based work continues.

As mentioned above, the NCC has a trajectory towards integrating electrical infrastructure requirements, such as the proposed NCC 2025 provisions mandating solar PV installation on new commercial and apartment buildings, and EV chargers for

certain building types such as office buildings. These future changes make it even more important that energy efficiency measures are retained and refined in consultation with electrical industry stakeholders, given their growing role in delivering climate-resilient infrastructure.

It is imperative we continue to progress building standards to meet changes in technology, products and improved methods if we are to improve productivity and not slide backwards. It is generally acknowledged that standards must be updated as necessary, so it should equally be accepted that the NCC also be updated with sufficient regularity such as the current 3-year cycle (noting updates to class 1 buildings and class 2 – 9 buildings alternate). It is also noted that the process for NCC / Queensland Development Code updates should be more transparent with improved consultation including in relation to cost-benefit analysis reports. If updates are paused, it is likely different jurisdictions will make changes to their building regulations and Australia will have a disjointed building system, which can lead to further lack of productivity.

In relation to EV charging in buildings, MEA submits that a working group should be established including QFES, Queensland Government, Insurance Council, Strata Owners, MEA, EV Council, builders and trades to ascertain the measures required to enable building owners to comfortably proceed with installing EV chargers in buildings.

Review of Regulations and Standards: Free Access to Australia Standards

Queensland has incorporated multiple Australian Standards into the Electrical Safety legislation and regulations. However, despite it being a legal requirement for electrical contractors to maintain access to the most current version of these Standards, they are not freely available.

There are multiple consequences that flow from industry stakeholders being charged to access Australian Standards in accordance with these legal obligations, including:

- **Safety & Compliance** – A risk to the public that the highest standards of electrical safety are not implemented by some contractors who lack access to the Wiring Rules.
- **Financial Cost** – SMEs operate with limited resources and are increasingly challenged by rising industry costs and external pressures, including economic downturns, climate-related events, escalating insurance premiums, and the collapse of large construction companies. The added cost of accessing mandatory Australian Standards can be prohibitively high for many SMEs.
- **Piracy** - A proliferation of pirated copies of the Standards, potentially with out-of-date information, is likely to be occurring further jeopardising safety.

MEA is fortunate to have a purchase arrangement in place with a Standards distributor, and pays to provide access to the electrical Australian Standards to its members as part of membership. However not all electricians are members of MEA. While it provides an advantage to MEA in its membership offering, MEA advocates for outcomes that positively impact industry as a whole.

MEA recently participated in a significant meeting at Parliament House between key industry leaders and Standards Australia. The agreed objectives include developing a joint proposal to the Australian Government to secure a funding model that will improve access to Australian Standards and remove direct user-pays costs for standards that construction workers are legally required to comply with.

We are optimistic about the future of this collaboration in advancing free access to Australian Standards while working to improve innovation in standards including use of AI and 3D models.

We call on all State, Territory, and Federal Governments to work in partnership with industry to ensure legislated Australian Standards are freely accessible to the construction industry, including the electrical sector, to support compliance with legal

and regulatory obligations. Simultaneously, Standards Australian and industry groups such as MEA can work to improve use of technology to improve the way trades access and understand content of Standards.

QBCC Role

MEA submits one of the most important roles of the QBCC is education and enforcement of legislated payment requirements. The 'monies-owed complaints' process is a critical aspect of Queensland's security of payment framework and reporting on the portion of complaints resolved would be useful. Similarly, reporting on the number of contracts audited for compliant payment provisions and percentage found with non-complying terms would be useful for educating the sector.

Threshold for Insurable Works

MEA submits the threshold should be raised due to the administrative burden of collecting and paying insurance on small value jobs and suggests the Queensland Government review other jurisdictions' requirements.

Deposit Caps

MEA submits the deposit cap should exclude the value of items where the homeowner's interest is registered on the *Personal Property Securities Register*. This can enable substantial items (such as appliances) to be paid by the client so the contractor is not out of pocket (potentially for a substantial time), and the client's interests are protected.

Licensing Duplication

MEA notes that amendments have already been made to the QBCC Regulation excluding 'work performed by a person who holds an electrical mechanic licence that is inspecting or testing emergency lighting systems' from being either building work or fire protection work (and not requiring a QBCC licence). This is a welcome exemption, however, there remain areas of overlap between the QBCC and ESO licensing

frameworks that require clarity. Examples include:

- Installation and maintenance of extra-low voltage (ELV) fire alarm and detection systems
- Installation of air conditioning units sized under 18kw (where the installer holds an Arctick accreditation).

MEA is working collaboratively with the QBCC to resolve these duplication issues.

MEA's Recommended Actions – Building Regulations



- **NCC Changes or Opt-Outs** - Conduct thorough industry consultation before implementing any changes or “opt-out” options for NCC provisions.
- **NCC Update Process** - Improve transparency in the NCC / Queensland Development Code update process, including clearer consultation and publication of cost-benefit analyses.
- **Working Group for EV Charging Infrastructure** - Establish a dedicated working group to address the integration of EV charging infrastructure in buildings.
- **Free Access to Legislated Australian Standards** - Collaborate with other governments and industry to provide free access to mandatory Australian Standards

MEA's Recommended Actions Continued ...



- **QBCC's Role** - Strengthen the QBCC's role in educating and enforcing legislated payment requirements, including reporting on the resolution of "monies-owed" complaints and auditing contracts for compliance with payment provisions.
- **Insurance Thresholds** – Raise threshold for insurable works in line with other jurisdictions.
- **Deposit Caps** - Exclude the value of significant items registered on the *Personal Property Securities Register* from the deposit cap calculation.
- **Licensing Overlap** - Remove licensing overlap between QBCC and ESO for ELV fire alarm and detection systems, and for air conditioning.

Financial Regulations

PC Recommendation 14 – Trust Account Framework

In response to the further information requested, MEA provides the following:

Security of Payment Issues

Retention Funds - There are inadequate measures to ensure return of security (e.g. bank guarantees) on completion of a project, and there are no real protections for when a head contractor goes into insolvency.

It is not uncommon for a principal or head contractor to hold onto a bank guarantee or cash retention past the end of the project. For cash retentions, a subcontractor could seek an adjudication or perhaps make a monies-owed complaint to the QBCC – however where the cash amount is not large (e.g. under \$20,000) a subcontractor will need to weigh up the cost of bringing a claim. This can be unfairly leveraged by principals and head contractors knowing they hold the power by holding the security.

While some head contractors view the ring-fencing of retention funds as a loss of working capital, it is important to recognise these funds are not their money to utilise. They are payments owed to subcontractors for completed work and should never be treated as free cash flow to prop up other operations. Smaller businesses should not be used as involuntary financiers for head contractors; safeguarding these funds simply ensures they are available for their rightful purpose of paying the people who carried out the work. We are concerned that without a legislated ring-fencing of retention and security, head contractors may take advantage of this unethical financing opportunity.

As noted in our [initial QPC submission](#) (pages 10-12), non-payment and delayed payment remain persistent in Queensland's construction industry, particularly for subcontractors such as electricians. Our recent industry survey (please refer to Appendix A) confirms existing problems including:

- Ongoing delays in returning retention money
- Frequent non-payment where head contractors become insolvent
- Widespread slow payment practices.

When unpaid, subcontractors must still cover materials, wages, and compliance costs, often losing tens of thousands of dollars. This leads to business closures, job losses, and increased supply shortages.

Despite undertaking approximately 80% of Australia's construction work, subcontractors face an alarming lack of guaranteed payment protections, placing their businesses and livelihoods at risk. The above-mentioned industry survey demonstrates this which found that over 60% of respondents had not received payment owed to them due to contractor insolvency within the past five years.

Non-Cash Retention - In addition, where a non-cash retention (e.g. bank guarantee) is provided, head contractors often delay returning these, or fail to return them altogether. This has a big impact on subcontractors, who quite often will need to place cash into a security account to obtain the bank guarantee in the first place. Non-return ties up a subcontractor's cashflow unnecessarily. It is a typical requirement that a bank guarantee / bond not have an end date, meaning subcontractors can be paying the costs of the guarantee for a lengthy period unnecessarily.

We must do better to protect our subcontractors who are the backbone of our economy.

Queensland Framework

As stated in our initial submission, MEA is disappointed by the pause on retention protections, which has left many vulnerable to ongoing supply chain liquidations.

This recent decision of the Queensland Government, which occurred without consultation with subcontractors, means retention money owed to subcontractors remains unprotected on the majority of a project; a particularly concerning reality

given our industry survey found that 55.81% of subcontractor respondents did not receive the retention money they were entitled to.

Availability of Technological Solutions to Meet Trust Account Obligations.

There are a variety of payment platforms in the market claiming to solve security of payment issues. These typically require either the head contractor or subcontractor to pay for the administration of the platform and are dependent on certification of payments.

MEA does not consider these payment technologies alone to adequately address the non-payment issues experienced in the sector, such as the failure to return retention money or guarantees at project completion, non-payment due to false allegations of defects and non-payment due to insolvency.

Proposed Solution

[Together with other leading construction industry associations²](#), MEA calls for the following measures to ensure subcontractors in the construction sector are paid in full and on time:

1. Retention Held by a Central Authority

This would operate similarly to the government residential rental bond schemes, where money is held by a government authority with fast, simple and online processes. It reverses the onus when retention is due to be returned – the subcontractor requests it, and the builder either agrees or disputes the return. Existing rapid adjudication processes can apply to disputes.

Legislative change and online processes would be required but could be based on existing processes with an existing entity.

This central holding facility should apply to all cash retentions held by contracting parties in the construction industry and could extend to non-cash

² MPAQ, ECA WA, MP, FPA, AMCA & MPPA.

security as well. The earnings on the fund could contribute to funding the administration costs as well as contribute to educating the sector on fair contracts and payment terms.

In the event of builder insolvency, return of retention would not be subject to liquidator's administration processes and costs unless defective work is identified and the liquidator disputes return of retention to the subcontractor.


2. Improved retention options

The retention money reforms should be coupled with legislation permitting parties to swap non-cash security (e.g. bank guarantees) with cash retention, noting it is currently a legislated right to swap cash retention with non-cash security.

It is often difficult for small contractors to obtain non-cash security. They may need to deposit money in a secured account as well as paying for the guarantee. Too often subcontractors struggle to receive the bank guarantee or bond back from the head contractor and there is typically no expiry date. Rapid adjudication may not be available for return of non-cash security, but is available for return of retention money.

We believe these measures offer a targeted solution for protecting subcontractor funds and restoring industry confidence in security of payment, while maintaining a balanced approach to the compliance costs of managing trust accounts for head contractors.

MEA's Recommended Actions – Financial Regulations

- 
- **Central Authority** - Establish a central authority to hold all retention funds, with the option to extend this framework to non-cash securities
 - **Non-Cash Retention** - Entitle parties to swap non-cash security, such as bank guarantees, for cash retention.

Modern Methods of Construction (MMC)

Electrical Work

MEA recently responded to Victoria's *Enabling Modern Methods of Construction* consultation, using Queensland's regulatory framework as an example of acceptable regulatory framework for electrical work in MMC, which ensures off-site electrical work is carried out by a licensed qualified electrician.

MEA supports the proposal for the Queensland Government to adopt nationally consistent definitions of MMC within its legislation.

MEA's Recommended Actions - MMC



- **National Definitions** - Queensland Government to adopt national consistent definitions of MMC within its legislation.
- **Licensing** – Queensland to continue its current framework of requiring off-site electrical work to be performed by suitably qualified and licensed electricians.

Workplace Health and Safety Regulations

PC Recommendation 16 – Compliance Monitoring and Enforcement

Policy

MEA supports a review of the *Compliance Monitoring and Enforcement Policy*, which is overdue. The review should strengthen guidance for inspectors to ensure enforcement actions are proportionate, responsive, and consistently applied.

Clearer direction is needed to balance effective risk management with minimising unnecessary costs and disruptions to business operations. Excessive measures, such as full or partial site shutdowns for low-risk issues must be avoided to preserve productivity without compromising safety.

MEA urges the OIR to work closely with industry to ensure the revised policy upholds high safety standards while delivering fair, targeted, and efficient enforcement.

Small Business Support

Legislative Changes

Frequent legislative changes cause a great administrative burden for small business operators to remain informed and compliant.

Small businesses have limited resources to adapt quickly to regulatory changes and to remain compliant with duplicative and/or unnecessary administrative requirements. It is therefore critical that legislation and regulations are designed with these constraints in mind, and that government provides targeted support to help small businesses stay up to date and meet their compliance obligations.

PC Recommendation 17 – Incident Reporting Framework

MEA supports the development of a single, harmonised incident reporting framework with a single-point digital reporting system. Streamlining reporting will reduce administrative duplication, lower compliance costs, and enable businesses to focus more on managing on-site risks. MEA also supports greater use of digitisation in safety compliance processes, noting its positive impact on productivity, efficiency,

and data accuracy. This reform should be designed in consultation with industry to ensure it is practical, user-friendly, and delivers genuine safety benefits.

Reform Direction 9 – Workplace Health and Safety (WHS)

PC Request for Information

MEA supports the proposed potential reform options identified in the Interim Report. This includes the proposed taskforce involving principal contractors, subcontractor groups, industry associations, and unions to review stoppage data, address recurring issues, and update guidelines as required. This will provide an additional layer of oversight, albeit well after the occurrence, to assist in ensuring stoppage powers are not misused. It may be possible to expand the ***Construction Industry Sector Standing Committee*** for this purpose, to include subcontractor representatives and other bodies.

Additional / Alternative Reforms to be Considered to Manage WHY Risks and Resolve Issues Raised

MEA supports a safety framework which allows a worker representative to identify a safety concern impacting worker safety.

However, giving Health and Safety Representatives (HSRs) the ability to shut down a site can result in a misuse of such powers whether intentional or unintentional. Giving an individual such a significant power may also result in undue pressure on the HSR to make a particular decision (whether from workers or the employer, and whether intentional or unintentional).

A solution is to restrict the power to shut down construction sites to WHS Inspectors, noting an HSR could always raise issues with the PCBU who could agree to close all or part of a workplace. If only WHS Inspectors had the power to shut down a worksite, this would require a departure from the model WHS legislation in Queensland.

As an alternative, an additional safeguard could be included in WHS legislation. In particular, there could be a requirement for confirmation of appropriateness of the

action by a WHS Inspector within a short timeframe (e.g. 1 hour) of a determination by an HSR to shut down a substantial portion of a worksite where the PCBU does not agree with the HSR's determination.

Contact with a WHS Inspector could be in person or by video conference (or phone call if either are unavailable). While this would place an additional workload on inspectors, it is considered a necessity to ensure appropriate use of these powers which have significant consequences. Under this proposal, the WHS Inspector would only be required to confirm or deny that prima facie there is a reasonable use of powers of the HSR to shut down the site (where the PCBU disagrees). If the Inspector does not agree with the HSR's determination, the HSR would cease to have the ability to shut down the site for the cause identified.

While it may be possible to bring an action to stop the site closure, this is challenging where it is the HSR's decision and not a union decision. It is also costly and a large administrative burden for PCBUs to bring legal actions to prevent site closures or to have closures declared unlawful.

The proposed measure to require WHS Inspector involvement to confirm a prima facie requirement to shut down a site would improve productivity in the construction sector where there have been numerous (anonymous) complaints of unnecessary site closures that would otherwise be considered industrial action. However, it is acknowledged that this would also be a departure from the model laws.

MEA's Recommended Actions - WHS



- **Compliance and Monitoring** – Review and update the Compliance Monitoring and Enforcement Policy to ensure enforcement actions are proportionate, consistent, and risk-based, developed in collaboration with industry to uphold safety while minimising unnecessary costs and disruptions.

MEA's Recommended Actions - WHS Continued ...



- **Small Business Support** – Provide targeted assistance for small businesses with limited resources to stay informed and compliant with legislative and regulatory changes.
- **Incident Reporting Framework** – Establish a single, harmonised digital incident reporting framework, incorporating greater digitisation in safety compliance processes, developed in collaboration with industry.
- **Stoppage Data Review** – Implement the proposed taskforce to review stoppage data, address recurring issues, and update guidelines, with representation from the Construction Industry Sector Standing Committee.
- **Safety Framework** – Limit the authority of site shutdowns to qualified WHS Inspectors, or alternatively, require WHS Inspector confirmation where an HSR initiates a substantial shutdown disputed by the PCBU.

Labour Market - Training and Apprenticeships

In response to the additional information requested on underlying drivers and the scale of issues impacting the system, MEA provides the below:

Small Businesses Train the Bulk of Electrical Apprentices

The electrical industry's skills shortage is due to insufficient businesses/supervisors able to take on apprentices as opposed to insufficient people wanting to commence an apprenticeship. This is visible from the thousands of applications Energy Qld received for apprenticeships this year over and above the available positions. MEA itself often receives requests for those seeking an apprenticeship and having no luck finding one. While interest from prospective apprentices is strong, supervisory and training capacity is insufficient. Small businesses, which account for 58% of apprentice and trainee commencements,³ must be supported to take on and complete more apprentices, lifting both commencement and retention rates.

Poaching

As noted in our [initial QPC submission](#), the cost of training apprentices is further compounded by large companies (delivering major projects or programs) poaching third and fourth year apprentices trained by small businesses with the lure of higher wages. This undermines expanding available talent in the electrical industry and leaves small businesses unable to compete, discouraging them from investing in apprentices, particularly in rural and regional areas.

Our members continue to report ongoing issues with the 'poaching' of apprentices, particularly involving EQL. While EQL has increased its intake of new apprentices, we urge EQL to review and strengthen its hiring policies to continue increasing apprentice commencement numbers to meet the demands of forecast projects. MEA seeks Government support to action this.

³ Powering Skills Organisation [accessed 11 August 2025] <[Data Dashboard - Powering Skills Organisation](#)>

Existing Policy Initiatives –

- FED: Under the [Priority Hiring Incentive Scheme](#), \$10,000 is allocated to electrical apprentices but only \$5,000 to employers, despite the latter bearing the greater cost and risk through supervision, paperwork, and lost billable hours. Member feedback is that the paperwork and administrative burden to obtain the \$5,000 payment is excessive and can be a cost-neutral exercise.
- QLD: The Queensland Government provides a [50% payroll tax rebate](#) for eligible apprenticeships, and has announced (but not yet implemented) support for small businesses with [apprentice wage costs](#) during the two annual four-week training block periods as a pilot program for a limited number of businesses. While these measures are appreciated, payroll tax rebates are received in arrears and do not provide the upfront liquidity small businesses need to meet the ongoing costs of training. In addition, these do not offset material costs of apprentice training.

Financial Reality for Small Businesses

The QPC's concern about market distortion from government overreach is noted. However, the greater risk lies in underinvestment where small businesses which train the majority of apprentices cannot afford to continue doing so.

The costs for small businesses extend beyond wages to material opportunity costs, such as a supervisor's unbillable hours spent on administration and training rather than completing billable work. Over 80% of an electrical apprentice's training occurs on the job. Many small employers are committed to training apprentices but lack the financial certainty to do so. This directly counters the QPC's reference to the ***Australian Productivity Commission's 2020 review***, which concluded –

“that employer incentives are unlikely to provide a strong return on investment, often paying businesses for training that would have occurred anyway, and being likely to change the behaviour of only a few”⁴.

In the context of small businesses, targeted government incentives would not fund training that “would have occurred anyway”; they would address a clear market failure by enabling new training capacity, increasing apprentice commencements and completions, and unlocking one of the highest-return productivity investments in the construction sector; namely a skilled workforce.

The result of inaction is clear: reduced incentive to hire and train apprentices, diminished training capacity, ongoing skills shortages, and ultimately, lower output of electrical work at higher costs, all of which directly impacts productivity.

Minimising Market Distortions

To align with the QPC’s objective of minimising unintended market consequences, financial support should be narrowly targeted and outcome-based. We propose that incentives:

- Be paid directly to the employing business as well as an additional incentive payment for supervisors themselves (where these are different).
- Be linked to both apprentice commencement and completion milestones.
- Funding could be contingent on businesses demonstrating appropriate training and supervision standards.

Such measures represent the minimum necessary intervention to protect and expand the industry’s training capacity, deliver measurable commencement and completion gains, and ensure long-term productivity improvements without diverting resources from more productive uses elsewhere in the economy.

⁴ Queensland Productivity Commission “OPPORTUNITIES TO IMPROVE PRODUCTIVITY OF THE CONSTRUCTION INDUSTRY Interim report” *Queensland Government* [2025] (pg. 238)

Targeted small-business apprenticeship incentives are the minimum necessary intervention to expand training capacity, lift both commencement and completion rates, and deliver one of the highest-return productivity gains available to the construction sector.

Women

The energy sector remains heavily male-dominated, with approximately 83.5% of the workforce comprising men and a much lower rate of female participation among those 'on the tools'.⁵ Women represent a significant pool of untapped talent that could help address the electrical industry's skills shortage and increase overall construction sector productivity by expanding the available labour supply.

MEA recommends the following policy initiatives to help address these challenges while avoiding market distortions and delivering measurable improvements in female participation rates:

- **Education** - Education for employers and employees on their obligations to report gender discrimination, bullying, or harassment in the workplace.
- **Support** - Targeted support for female apprentices and their supervisors.
- **Career Pathways** - Increased career pathway options into electrotechnology, such as the proposed ATAR subject outlined below, to overcome information gaps identified by the QPC and broaden understanding of viable career paths for women.

By addressing both cultural and practical barriers, these measures represent a low-cost, high-impact intervention that will expand the electrical industry's training and employment capacity without distorting market outcomes.

⁵ Powering Skills Organisation [accessed on 31 July 2025] <[Data Dashboard - Powering Skills Organisation](#)>

Mature Age

Mature-age apprentices present a viable and underutilised solution to the electrical industry's skills shortage. These individuals often bring greater life experience, stronger work ethic, and transferable skills (particularly when transitioning from related trades such as carpentry) that enable them to contribute productively from the outset. Compared to school-leaver apprentices, they frequently require less time to develop workplace readiness, allowing them to "hit the ground running" and accelerate their progression to full productivity.

However, many potential mature-age apprentices are deterred from entering the industry due to the low wages, particularly when they have existing financial responsibilities. Small businesses, which train the bulk of electrical apprentices, often lack the resources to bridge this wage gap, despite the productivity advantages these apprentices offer and their potential to transfer knowledge to younger apprentices.

Targeted mature-age wage subsidies for small businesses to incentivise both employers and prospective apprentices would assist in attracting more workers to the electrical sector. Such subsidies should be contingent on the creation of new apprenticeship positions to avoid market distortions and ensure funds are directed to increasing training capacity. By reducing the financial barriers for mature entrants and supporting small businesses in meeting their wage expectations, such a policy would unlock an experienced and motivated talent pool, increase apprenticeship commencements and completions, and deliver faster returns on training investment, directly boosting industry productivity.

Rural and Remote Areas

Travel demands for prospective apprentices in rural and remote areas make it challenging to attract and retain skilled VET professionals, such as electricians. This shortage hinders productivity growth in regions outside major centres, causing these areas to lag in economic development. Construction projects in such regions are often subject to inflated costs due to the limited availability of a skilled workforce, with some projects facing significant cost premiums compared to metropolitan areas.

This challenge is further compounded by the issue of apprentice poaching noted earlier. When large companies win fixed-term government projects in rural and remote areas, they have little incentive to recruit and train new apprentices for short-term projects, making it more attractive to lure partially trained apprentices away from small employers.

For large-scale regional projects, workforce requirements should be forecast well in advance, with provisions to bring in migrant workers where additional capacity is needed, and with sufficient lead time to train them for the specific project. This will assist in reducing the 'poaching' of skilled workers from smaller businesses.

Access to Training

The ongoing electrical skills shortage crisis underscores the need for greater use of technology in training. Given the progress of technologies such as Virtual Reality (VR), the continued requirement for face-to-face training is a drain on resources in a sector that has limited qualified trainers (requiring qualified electricians to become trainers) and limited physical training facilities.

MEA urges the Queensland Government to accept and incorporate VR as a training tool to enable aspects of electrical training (which could start with non-accredited training) to be delivered via technology remotely. This could commence with the ongoing training requirements of CPR and low-voltage rescue training for electrical workers.

An additional advantage of VR training is the productivity benefit it delivers to both apprentices and businesses. VR allows apprentices to complete their training at times that align with their employers' business schedule at their place of business, reducing travel time to site and maximising productive use of paid hours. This flexibility also addresses inefficiencies common in traditional training environments, where apprentices may finish tasks early but wait at the RTO site, on paid time, instead of returning to site to continue on-the-job training and contribute to billable work and

productive output.

ATAR Senior School Subject

MEA agrees with the QPC that “the apprenticeship and vocational education and training systems ... have important roles in training the construction workforce.”⁶

To address the information gaps and career pathway uncertainty identified in the interim report, MEA proposes redesigning the existing senior secondary *Engineering* subject to boost student engagement, improve career awareness, and broaden exposure to VET pathways. The current course can be revitalised by integrating contemporary, industry-relevant content, particularly relating to sustainable energy and technology while leveraging existing curriculum frameworks to minimise cost and avoid market distortions.

The proposed subject would be an ATAR-scaled senior subject rebranded, for example as a 'sustainable technologies' subject or similar and would incorporate practical, industry-aligned topics including sustainable energy and electrotechnology, as well as use of technology in civil, mechanical and environmental engineering. The energy semester could incorporate elements of Certificate II in Electrotechnology and Certificate II in Sustainable Energy. The subject would include a sufficient level of mathematics to support progression into a Certificate III in Electrotechnology.

This approach directly addresses the QPC's concerns about incomplete or conflicting career information by giving students, parents, and teachers a clear, structured pathway from school to the electrotechnology sector. By embedding real-world skills, industry exposure, and elements of Certificate II training into the curriculum, students can make informed career decisions before committing to an apprenticeship, increasing both commencements and completions while reducing mid-apprenticeship cancellations and associated loss of employer resources. It would also broaden the appeal of the subject to a larger and more diverse cohort, including female students and those undecided about their future careers.

⁶QPC Interim Report, (p. 226)

In addition, employers who look for apprentice applicants who have completed a Certificate II could be educated to also give consideration to applicants who have completed this senior schooling subject. Early exposure to energy-related fields signals to future employers that students have developed relevant foundational knowledge, supports career flexibility, and addresses stakeholder concerns about the ongoing challenge of attracting school leavers, particularly women, into apprenticeships, ultimately contributing to a better-matched and more productive construction workforce.

MEA was recently invited by the Victorian Parliament to contribute to the ***Inquiry into Student Pathways to In-Demand Jobs***. We encourage the QPC to [review our submission](#) for further detail on our proposed ATAR subject and the anticipated benefits it would deliver.

MEA also encourages promotion of trades careers to schoolchildren from early primary school, ensuring imagery of both men and women in construction roles.

Trainers

A shortage of VET teaching staff and trainers is causing delays in securing timely training for apprentices, leading to extended qualification timelines and lower completion rates. MEA recommends streamlining TAE competency requirements and encouraging RTOs to utilise non-TAE-qualified trainers under general supervision of TAE-qualified trainers where appropriate (e.g. non-assessment).

It is also important to ensure that measures to address the trainer shortage do not draw active licensed workers away from the industry. Retiring tradespeople represent an ideal pool of potential VET trainers; however, the additional qualification requirements at this late career stage can be a significant barrier to their participation. Removing or easing these requirements for retiring workers would unlock valuable expertise without diminishing the industry's active workforce.

Apprentice RTO Training / Digital Training

In addition, incorporating VR and other technologies into training delivery for apprentices would further expand training capacity by reducing the reliance on physical facilities and trainers present in the classroom and enabling apprentices to complete components of their training more quickly and flexibly.

This would not detract from the importance of retaining in-person training for electrical apprentices, but would concentrate that in-person experience, allowing additional training at the workplace. This would require Apprentice Connect Australia Provider's involvement to ensure VR training was being completed as required.

By combining VR training with face-to-face delivery, an existing RTO facility could substantially expand its apprenticeship training capacity, rather than building more physical facilities, which is costly, has a negative impact on the environment and requires a skilled workforce.

Further Case Studies Where Strategies to Improve Training and Apprenticeship Outcomes Have Been Effective

Women in Electricity Pilot

While still in progress at the time of writing, a pilot '**Women in Electricity**' project run by Collabaloop (a Queensland social enterprise focused on addressing culture in construction) in partnership with Energy Skills Queensland has engaged with female apprentice and employers in a hybrid approach using online tools and face-to-face engagement.

This pilot is different to other strategies due to its use of automated and regular data capture via online engagement platform and SMS, pushing relevant micro 'life skills' content and capture of trends via analysis of responses. This pilot has been capturing data across key metrics such as resilience, confidence and contextual stories to understand the real challenges faced in the field so they can be addressed with employers and more broadly across the industry. It is understood a report will be produced on completion of the pilot later in 2025.

Strategic Dialogue Series

The Department of Trade, Employment and Training has recently instituted the ***Strategic Dialogue Series***. MEA welcomes this forum and considers it an important part of identifying challenges and solutions for the sector. However, there is no single solution and other activities are essential, including the work of Construction Skills Queensland and funding opportunities for industry associations to pilot initiatives such as the ***Women in Non-traditional Industries*** pilot projects.

PC Recommendation 18 – Review of Occupational Licensing &

PC Recommendation 20 – Removing Barriers to Labour Mobility

National Occupational Licensing

MEA supports the introduction of a national occupational licensing (NOL) eligibility law for electrical workers, where all states and territories agree on one set of eligibility requirements for electrical licensing, while each jurisdiction retains control over administration, compliance, and enforcement. This model strikes the right balance between national consistency and local oversight, without compromising jurisdictional authority.

A single set of high-standard licensing requirements nationwide would streamline processes and improve safety and quality outcomes, particularly in jurisdictions where current standards are lower.

Unlike full national licensing (which centralises regulation and diminishes state autonomy), or AMR alone (which is limited by inconsistent entry standards), national eligibility rules with state-based governance would promote workforce mobility, uphold high standards of safety and quality, and respect the enforcement needs of each state and territory.

Electrical work is high-risk, making licensing essential to ensure only properly qualified individuals perform the work. With a national Certificate III qualification in place, there is no rationale for differing eligibility requirements across states and territories.

There are multiple “mobility” schemes (Mutual Recognition (MR), Automatic Mutual Recognition (AMR), and the East Coast Electricians Scheme (ECES)) seeking to address interstate workforce mobility, however they are highly fragmented and not working as intended, lacking cohesion and creating confusion. Licensed electrical workers may be uncertain about where they can work and under what conditions, and in jurisdictions where AMR or ECES do not apply, they face increased costs and administrative burdens.

These inconsistencies result in duplicated licence application and maintenance processes, delays to project mobilisation, lower standards of skill or experience for some electrical workers, and underutilisation of available labour

A well-designed NOL eligibility scheme would be a powerful productivity tool. It would also require a review of licensing eligibility rules across Australia to find the highest and most suitable set of eligibility rules for all Australian electrical workers. This balanced approach would deliver a safe and efficient national licensing framework that balances worker mobility and safety.

Greater interstate mobility for licensed electrical workers under a NOL eligibility framework would deliver measurable productivity gains for Queensland by:

- Enabling skilled employees to move freely into Queensland to take up higher-paid opportunities, improving wage-driven labour allocation.
- Allowing Queensland businesses to rapidly fill temporary workforce gaps with comfort that all workers have met the same eligibility requirements.
- Enabling workers to shift to areas with higher demand during local downturns.

NOL would maintain high standards, strengthen training quality, and enable regulators to monitor and enforce compliance more effectively. This is further explained below.

- ***Introduction of Nationally Consistent CPD Requirements for Licensed Electrical Workers***

This would ensure electrical workers have current knowledge of all relevant rules and regulations and maintain their knowledge and understanding of inspection and testing requirements. In addition, CPD would ensure electricians obtain requisite knowledge of new technologies impacting their work. MEA advocates for a framework whereby registered entities (not limited to RTOs) can deliver free and low-cost training modules with online options (with learning outcomes), and VR training for practical requirements, with annual review of mandatory topics to ensure up-to-date knowledge of regulatory changes, technological advancements and areas with highest defect rates. A CPD framework could incorporate jurisdictional differences for operating a business to ensure contractors are aware of their obligations in different states and territories.

- ***Improved Training and Licensing Alignment***

NOL would require that RTO assessment standards are directly tied to licensing requirements nationwide, with consistent auditing and enforcement. This would lift training quality across the board and ensure that new entrants are assessed against the same high standard, regardless of where they trained.

- ***Enhanced Rigour in the Qualification Assessment Process***

MEA advocates for a national suite of learning and assessment resources to be provided for use by RTOs. This will assist with more consistent training outcomes across Australia. MEA notes Energy Skills Australia has developed some resources which could be reviewed and considered by Powering Skills Organisation (the national jobs and skills council for the energy sector).

- ***Unified Enforcement and Compliance***

National eligibility rules would need to include a requirement that any suspension or cancellation of licence in one jurisdiction is applied across all. It would be necessary to make disciplinary actions, licence suspensions, and

compliance records visible to all regulators in a timely manner. This would close the current loopholes under AMR, where enforcement of misconduct across state lines is often non-existent, and prevent poor practices from simply being relocated to another jurisdiction.

We encourage the Queensland Government to participate in this scheme to truly unlock workforce mobility across the sector. This is particularly critical for productivity as Queensland prepares for the upcoming Olympics, when demand for skilled trades will peak on top of an already stretched workforce.

Delays in Obtaining Electrical Licence Following Completion of Electrical Apprenticeship

MEA notes an issue raised in the interim report of electrical workers who successfully complete an apprenticeship requiring both RTO and Electrical Safety Office (ESO) approval before they can undertake further electrical work. There can be a delay in this occurring, resulting in the newly qualified electrical workers being limited to non-electrical work. The interim report correctly identified there may be opportunities to grant conditional licences subject to the completion of required documentation.

MEA notes that there are examples in other jurisdictions that could be replicated in Queensland (e.g. Victoria and WA). Under those frameworks a training licence is issued allowing the newly qualified apprentice to continue working under supervision (as though they were still a fourth-year apprentice) while the application for their full electrical licence is processed.

MEA has identified this issue with the ESO previously and continue to work with the ESO to seek a suitable resolution.

Annual Course Fees for Electrical Workers

In Queensland, electricians are required to complete annual courses, for example CPR training, to maintain their electrical licence. Electrical contractors (business owners)

typically cover both the cost of the course for all tradespeople within their business in addition to the time to complete the training (when business income is not earned). MEA requests government assistance be provided for small business employers to assist with these costs.

PC Recommendation 21 – Opportunities to Better Utilise Skilled Overseas Migration

MEA supports streamlined processes for recognising international workers who hold appropriate licensing qualifications.

We recommend that skilled migrants be incentivised to work in rural and remote areas, where shortages are most acute and where delays in accessing skilled labour significantly impact housing delivery and construction productivity (refer to our content above under ‘Project Selection and Sequencing’).

We therefore support the QPC’s recognition of the Queensland Government’s option to advocate for, and nominate, an increased allocation of skilled international workers under the *Skilled Nominated Regional visas*.

Gap skills training is considered essential for overseas electrical workers to ensure an understanding of the Australian Wiring Rules.

These measures would accelerate the availability of qualified workers, reduce unnecessary training duplication, and represent a targeted, low-cost intervention with measurable productivity gains.

MEA’s Recommended Actions – Labour Market

- *Small Business and Supervisor Incentives* – Provide direct payments to small businesses and additional incentives for supervisors to encourage ongoing apprenticeship supervision and training.



MEA's Recommended Actions Continued ...



- ***Apprentice RTO Training / Digital Training*** - Incorporate Virtual Reality (VR) into practical course components to overcome training facility constraints (lack of physical places and trainer shortages) and expand access for rural and remote apprentices.
- ***Senior School Subject*** - Rework the existing 'engineering' secondary school ATAR-scaled subject to be a broader 'sustainable technologies' subject (or similar), and to include a term on energy generation and electrotechnology, to attract more girls into the energy sector.
- ***Mature-Age Apprentices*** – Offer targeted wage subsidies for mature-age apprentices in small businesses, tied to the creation of new positions to grow training capacity.
- ***National Occupational Licensing Eligibility Law*** – Queensland Government support efforts to create a national eligibility law for electrical occupational licensing, ensuring Queensland standards are not lowered, and to include a national CPD framework.
- ***Delayed Training Licence*** – Introduce a training licence allowing newly qualified apprentices to continue working under supervision (as though they were still a fourth-year apprentice) while the application for their full electrical licence is processed
- ***Annual Course Fees for Electrical Workers*** – provide support for small business employers of electricians to contribute to the cost of legislated annual training.

MEA's Recommended Actions Continued ...



- ***Skilled Migrant Workforce*** – Streamline licensing recognition, provide gap training on Australian Wiring Rules, and incentivise skilled migrants to work in rural and remote areas to address acute labour shortages and boost productivity.
- ***Trainers*** - Streamline TAE competency requirements and encouraging RTOs to utilise non-TAE-qualified trainers under general supervision of TAE-qualified trainers where appropriate (e.g. non-assessment).

Taxes on Foreign Investment

Foreign investment plays a vital role in delivering new housing supply and should be actively encouraged. It brings additional capital to the market, supports project viability, and helps meet Australia's growing housing needs.

However, in Queensland we have seen the ***Foreign Land Tax Surcharge*** and the ***Additional Foreign Acquirer Duty*** hinder supply with increased project costs and we understand led to a decline in approvals for new unit developments.

To boost housing supply and meet the state's targets, it is essential to unlock the viability of new unit developments. MEA supports removing these two taxes.

MEA's Recommended Actions

- Remove Existing Taxes - Remove the ***Foreign Land Tax Surcharge*** and the ***Additional Foreign Acquirer Duty***.



Utility Connections

PC Recommendation 21 – Utility Connections

Delayed Connections

Meeting Guaranteed Service Levels (GSL) Targets

In our initial submission to the QPC, MEA raised significant concerns regarding EQL's energy supply connection processes.

EQL has since met with MEA to further discuss these issues and shared proposed actions to address them. MEA greatly appreciates the time and collaboration EQL has shown in engaging on these matters, and we are optimistic that these discussions will lead to meaningful and lasting improvements.

We agree with the interim report's findings on this topic and preliminary recommendation. These matters directly impact housing completions, project timelines, and overall productivity across the construction sector. Prompt action will be critical to improving efficiency and ensuring reliable, timely energy connections for customers.

In addition, electrical contractors often do not receive payment for their services until the energy supply connection is completed. During this time, they are still required to cover staff labour and material costs, leaving them owed in arrears. For small contractors, where cashflow is the lifeblood of the business, these delays not only have a macro-level impact on industry productivity but also a micro-level impact on the livelihoods and ongoing viability of these businesses.

Accordingly, it is important to have GSLs with accountability for meeting those wherever possible.

In relation to the request for additional information on existing performance standards and metrics not appropriately incentivising performance, MEA submits the GSL commitment and reporting is flawed, with numerous exceptions and departures from EQL's obligation to meet GSL connection timeframes. If a connection request is

‘defected’, or if the contractor is perceived to have ‘agreed’ to an extended timeframe, the GSL no longer applies.

Below are separate examples from contractors regarding delayed connections consequent of EQL’s actions.

- A contractor ensured their site was cleared on the agreed date for EQL to complete the connection. However, EQL did not attend as scheduled and, when they eventually arrived on a later date, they provided no prior notification of their attendance. By that time, roof trusses had been delivered and placed too close to the meter, preventing the connection from proceeding. As a result, the connection was subsequently “defected.”
- EQL sent a text message to a contractor advising of a delay to the connection. The contractor did not respond to which EQL took as implied consent to the revised timeframe, thereby meaning the GSL no longer be applicable for that date. Notably, the message was framed as a statement rather than a question, providing no clear opportunity for the contractor to dispute or reject the change.

MEA submits that in both of these circumstances the GSL should apply, and that the GSL should only be waived if the contractor has agreed in writing to both an extension and non-application of the GSL, or where the defect is not caused by a delay driven by EQL.

[Educating Electrical Contractors on GSLs](#)

MEA understands there is a significant lack of industry-wide knowledge regarding GSLs among electrical contractors. Some contractors are unaware that GSLs exist, while many others do not fully understand their rights to claim payments for missed targets or risk of the implied waiver aforementioned.

MEA calls for greater transparency from EQL in communicating the purpose, availability, and claim process of GSLs to electrical contractors. ESO should also campaign industry-wide awareness and education in this area.

Improved education will not only ensure electrical contractors can access GSL entitlements fairly and efficiently, but also strengthen accountability for EQL, knowing contractors are informed and prepared to exercise their rights.

Inconsistent Compliance Assessments

Due to varying interpretations of the *Connections Manual* and *Australian Wiring Rules* across different EQL depots, electrical contractors are receiving inconsistent compliance assessments. As a result, electricians are frequently issued defect notices, many of which are considered erroneous.

No simple review process exists and typically the original defect issuer is unable to be contacted, leaving electricians to submit rectification forms and rely on a different EQL representative, who may apply a different interpretation for approval during a subsequent visit.

This has the effect of delaying connections for customers and is unnecessary in most cases. For example, despite these defect notices, new property connections could be performed with supply turned off at the building's main switch until the issue is resolved. However, in reality, the current process results in the supply connection not occurring until a later date resulting in avoidable delays to housing completions.

We would like to see EQL implement a free and more efficient review mechanism to allow electricians to contest defect notices and supply requirements which they believe to be in error.

Insufficient Details in Defect Notice

When electricians receive a notice of defect, it often lacks sufficient detail. For example, it may simply state "not as per AS/NZS 3000" without identifying the specific

clause or nature of the non-compliance. Attempts to seek clarification are frequently met with the unhelpful response that the electrician should know.

Furthermore, it is not uncommon for a second notice to identify a different alleged defect that was not raised during the initial inspection, despite no changes having been made to the installation in the interim.

This practice undermines confidence in the inspection process, increases costs for contractors, and delays project timelines.

MEA has raised these issues with EQL, who have listened to our concerns however we understand the issues continue to be experienced by the electrical industry. EQL has typically required examples of notices to take the matter further, however our members are reluctant to do this as they fear reprisal and more connection problems in the future if they raise complaints. Recent consultation with EQL has opened up the prospect of providing hypothetical examples and we will be working on this together with EQL.

We would like EQL to ensure clear, specific details for each defect, including references to relevant standards, and ensure all defects are identified during the initial inspection. A free and rapid review process should also be implemented. This would improve transparency, reduce unnecessary costs and delays, and increase confidence in the process.

EQL's Process for Alterations and Repairs

EQL's processes for alterations and repairs can lead to perverse outcomes. For example, if a part is no longer available and the solution involves the nearest equivalent replacement, a technical assessment can be required by EQL which can cost thousands of dollars.

MEA recommends that EQL adopt a more flexible approach when assessing alterations and repairs to ensure determinations are reasonable and outcome-

focused, to ensure property connections proceed where possible. This approach must be supported by accurate and consistent interpretation of the wiring rules relating to repairs and equivalent replacement parts.

EQL Connections Manual (the Manual)

The Manual outlines the requirements for network connections which are separate requirements to the Wiring Rules. Non-conformance with the Manual may result in EQL refusing to connect a property. Changes to the Manual can also affect existing connections; for example, EQL may decline a meter alteration if the meter position no longer complies with the updated Manual, even if the original installation complied with the previous Manual and the Wiring Rules.

In the most recent edition of the Manual, the EQL phone contact line for applying for a variation (exemption) was removed and the Manual included a positive duty on the electrical contractor to redesign/rewire without needing a 'variation' (i.e. exemption).

In order for changes to be made to the EQL Connections Manual, we believe an advisory board should be established with representatives from industry and ESO to consider feedback received during consultation periods and determine the appropriateness of changes.⁷ In addition, there should be 'grandfathering' for installations that were compliant when initially connected and a simpler, more streamlined process for exemptions.

Metering Installations

Since the introduction of 'power of choice' (being federal regulation removing the ability of DNSPs like EQL to provide metering services) there has been a lack of coordination or control of metering.

⁷ Currently EQL does consult, however there is no requirement to take on board any feedback from consultation or to consider whether the Connections Manual has requirements over and above the Wiring Rules, impacts on metering rules, unnecessary costs without proven safety gains, or other impacts causing lack of productivity in housing and other sectors.

The impact of 'power of choice' is that customers face increased wait times for connections and alterations to existing connections (e.g. metering upgrade) and particularly adversely affects sites with multiple customers (e.g. apartments). As an example, if a 6-unit property is required to have their aged switchboard upgraded for modern safety requirements, this would necessitate metering alterations and relocation to the new switchboard. Customers could be with six different retailers with potentially six different metering providers. This will require a metering coordinator to find a date that will suit all six metering providers. While the coordinator's role is to minimise disruption when arranging this, in practice this often fails, and their contact details are not made available to the electrical contractor responsible for the wiring work.

It is MEA's understanding that delays of six months or more can occur. This problem is magnified when the number of customers increases, for example a site with 20 properties becomes infinitely harder to coordinate. A majority of the time, even once a scheduled date has been agreed to by all parties, electrical contractors are forced to call EQL back to site to install a meter bypass as one or more of the metering providers has failed to attend before the end of the day and multiple customers have been left without power.

MEA suggests Queensland permit electrical contractors to become a registered Authorised Service Provider (ASP) for metering work. This should be as streamlined and inexpensive as possible, for example a two-day course on metering installation, online registration with meter providers, and ability to obtain meters from the provider once registration is active and installed. Verification of installation can be carried out by the meter provider post-installation to ensure correct installation and system security, without delaying the provision of power to site.

Terrace Houses

MEA commends the QPC for recognising our concerns regarding obstructed supply connections to terrace houses and notes EQL has recently informed MEA of a reversal

of position on this issue which will enhance outcomes for the housing sector.

Energex Electrical Persons Accreditation

An Authorised Person (AP) (Electrical) is allowed to work closer to electric lines than an untrained person due to additional training.

Previously, electricians could complete this during the onboarding process, however, they must now complete the T0911 training course at a RTO to apply to become an Energex AP. This has created a more costly and time-consuming exercise.

Unfortunately, the change occurred swiftly without adequate industry consultation and problems have persisted for almost 18 months while we continue to advocate for a practical outcome.

Key issues:

- ***RTO Resource Capacity Constraints*** – Limited class intake makes it difficult for electricians to secure a course spot, often taking months.
- ***Non-Transferable Qualification*** - If an electrician has completed the course with a previous employer, it cannot be transferred to a new one.
- ***Course Relevance*** - Topics covered in the T0911 course (e.g., identifying voltage, distinguishing electric lines, safety systems) are already part of the Cert III Electrotechnology apprenticeship, making the course more relevant for non-electrical personnel. Tasks that would be relevant to electricians, such as pulling pole fuses and accessing green pillars, are not covered in T0911.

This creates resource and scheduling challenges for electrical contractors, as fewer APs are available to perform these tasks. The costs of training (course fees and wages) and the administrative burden further complicate staffing, especially since contractors may not know an AP is needed until they arrive on site.

MEA advocates for the T0911 course completion requirement for licensed electrical workers to become an Energex AP to be removed.

MEA is collaborating closely with the Commissioner to remove this requirement and, in its place, introduce a more effective short training course for electricians. We note that this proposal has not yet been finalised. We seek a prompt implementation of this transition.

Consumer and Contractor Information

Our members have reported ongoing ambiguity in the post-installation process for customers. Many customers are unaware of the next steps following meter installations, which often results in electrical contractors inadvertently, and unnecessarily, shouldering the responsibility of guiding them through the process.

MEA urges EQL to develop a clear guidance document that contractors can provide to customers upon completion of their installation, outlining the next steps and key contacts to ensure a smoother and more transparent process.

In addition, we recommend the development of a simplified, centralised guidance document for electrical workers. This resource would clearly outline each step of the installation process, ensuring compliance is met without requiring contractors to navigate multiple documents or wait for additional paperwork after submitting their compliance certificate.

Proposed Action the Queensland Government Could Take re Utility Providers

There is insufficient oversight of EQL's actions and decisions, resulting in a lack of accountability. MEA recommends broader oversight by the Energy and Water Ombudsman. In particular:

- ***Energy and Water Ombudsman*** - Developers and contractors (including electrical contractors and builders) should be made a 'relevant customer' under

the *Energy and Water Ombudsman Act 2006*, enabling the Ombudsman to take industry complaints and use existing powers to direct resolutions.

- **EQL KPIs** – Queensland Government should establish a new suite of developer and contractor customer KPIs for oversight by Queensland Energy and Water Ombudsman to conduct a systemic issues investigation into delays and other obstacles to rapid housing delivery. The ESO could review those delays where a defect is claimed as the cause to advise if there is an electrical safety defect/issue.

MEA's Recommended Actions – Utility Connections



- **Delayed Energy Connections** – Guarantee Service Levels (GSL) should only be waived where the contractor has provided written agreement to an extension and waiver, or where delays are not driven by EQL, for example genuine defects or where electrical supply could not be connected safely but consideration needs to be given to energising up to the site's main switch then isolating at that switch where defects exist beyond that point.
- **EQL Processes for Alterations and Repairs** – EQL adopt a more flexible approach when assessing alterations and repairs to ensure determinations are reasonable and outcome-focused and allow for connections to proceed where possible, supported by accurate and consistent interpretation of the wiring rules relating to repairs and equivalent replacement parts
- **Connection Compliance and Manual Updates** – Establish an industry advisory board, including ESO representatives, to review feedback on manual updates. Also 'grandfather' installations that were compliant when connected and develop a simpler, more streamlined process for exemptions.

MEA's Recommended Actions – Utility Connections Continued



- ***Inconsistent Compliance Assessments*** – Implement a free, efficient review mechanism to allow electricians to contest defect notices or supply requirements.
- ***Independent Oversight of EQL*** – In addition to a review mechanism for electrical contractors, broaden the Energy and Water Ombudsman's oversight of EQL, including categorising developers, contractors and builders as "relevant customers" under the *Energy and Water Ombudsman Act 2006*, enabling resolution of industry complaints. Establish contractor and developer KPIs for systemic issues investigations, and have the ESO review defects cited as causes of delays to verify genuine safety issues.
- ***Defect Notice Transparency*** – Require clear, specific details for every defect during the initial inspection, including references to applicable standards, and implement a free, rapid review process to increase transparency and minimise costs and delays.
- ***Connection Compliance and Manual Updates*** – Establish an industry advisory board, including ESO representatives, to review feedback on manual updates. Also 'grandfather' installations that were compliant when connected and develop a simpler, more streamlined process for exemptions.
- ***Metering Installations*** – Enable electrical contractors to become registered Authorised Service Providers (ASPs) through a streamlined and low-cost process (e.g., a two-day metering installation course, online registration, and direct meter access). Post-installation verification by providers could ensure compliance without delaying power connection.

MEA's Recommended Actions – Utility Connections Continued



- ***Energex Electrical Accredited Persons*** – Remove the T0911 course requirement for licensed electrical workers and replace it with a short, targeted training course for accreditation.
- ***Consumer and Contractor Information*** – EQL provide clear guidance for electrical contractors to provide to customers following completion of installation.

EQL EBA

“Contestable Work”

MEA agrees with the QPC’s interim findings.

As outlined in [our initial submission to the QPC](#), in mid-2024 the Energy Trades Union (ETU) and EQL finalised an EBA that significantly impacted private contractors by broadening the categories of workers required to be paid EQL EBA rates when performing ‘contestable work’. Introduced without prior industry consultation, these changes forced subcontractors to rapidly alter processes and pricing, created immediate contractual pressures, and risked deterring them from participating in such projects many of which are necessary to address housing pressures.

Our members have raised concerns about the compliance obligations and costs associated with demonstrating their employees are being paid on aggregate EQL rates. Some subcontractors have also created separate entities to engage workers on these EQL sites to accommodate the EBA.

While MEA acknowledges EQL’s subsequent engagement to assist with compliance, the absence of early consultation prevented mitigation of the most disruptive impacts. Passing EBA conditions to subcontractors without their input undermines productivity and constitutes an overreach into private contractual arrangements.

The interim report referenced the following options:

- Request EQL to remove the requirement for EQL’s EBA rates of pay and allowances to be applied to contestable works (which apply to employees of contractors and subcontractors) when EQ negotiate their next EBA in 2028; and
- Revise the definition of contestable works, so that subcontractors are not covered by the EQL EBA.

Both are seen as suitable actions noting that it would be challenging to alter the existing EBA. In addition, a procurement policy could be implemented enshrining the right of subcontractors to agree industrial conditions with their own workforce and not have industrial conditions imposed on them by a head contractor's industrial agreement that they are not party to. Again, such a policy is unlikely to impact the current EBA.

Conclusion

MEA commends the Queensland Productivity Commission for its comprehensive interim review of stakeholder concerns impacting Queensland's construction productivity.

Addressing Queensland's productivity challenges demands targeted, practical measures that recognise the realities faced by small construction businesses, which make up the majority of the sector. As outlined in this submission, the current regulatory and administrative pressures are inflating project costs, delaying delivery timelines, and contributing to rising cost-of-living pressures.

The matters raised in this submission contribute to inflated project costs, delayed timelines, and rising cost-of-living pressures. MEA urges the Queensland Government to ease the regulatory and administrative burden on electrical contracting SMEs to promote fair competition, strengthen workforce resilience, and ensure timely project delivery. We further call for targeted financial and administrative support to boost SME investment confidence in apprenticeship training to expand workforce capacity.

With major initiatives underway to increase housing supply, maintain energy security and prepare for the 2032 Queensland Olympics, it is critical that the Government reduce red tape and back small and medium electrical contractors central to Queensland's construction success.

Appendix A – Joint Industry Security of Payment Survey

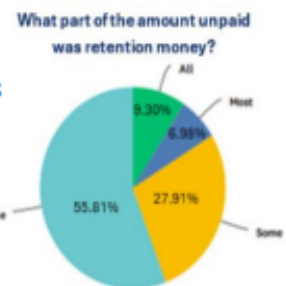
SECURITY OF PAYMENT Retention Money

**Non-payment of subcontractor retention money continues to be a substantial issue in the construction industry.
We need better solutions.**

Non-payment of subcontractors, including retention money, continues to be a substantial issue in the construction industry.

Numerous reviews have been conducted, including a national review of Security of Payment Laws undertaken by John Murray AM in 2017. Following that review, there have been changes made to Security of Payment laws around the country, including the introduction of retention trusts and project trust accounts in some jurisdictions.

Non-payment of subcontractors not only causes financial and wellbeing impacts to those directly affected, it also jeopardises our capacity to build the houses, hospitals, commercial buildings and other key infrastructure needed to service a growing population. We must take a different approach to better protect small businesses from non-payment. A good starting point is retention money.



Despite reforms, our [2025 industry survey](#) shows that slow and non-payment remain an issue for construction industry subcontractors (including electricians) which includes failure of builders / head contractors to return retention money. Over 60% of surveyed respondents identified that in the last 5 years they had been unpaid due to contractor insolvency. Unpaid subcontractors were from a mix of commercial and residential sectors (or both).

Solutions

Retention held by a central authority



- This would operate similarly to the government residential rental bond schemes, where money is held by a government authority with fast, simple and online processes.
- It reverses the onus when retention is due to be returned – the subcontractor requests it, and the builder either agrees or disputes the return. Existing rapid adjudication processes can apply to disputes.
- Legislative change and online processes would be required but could be based on existing processes with an existing entity.
- This central holding facility should apply to all cash retentions held by contracting parties in the construction industry. The earnings on the fund could contribute to funding the administration costs as well as contribute to educating the sector on fair contracts and payment terms.
- In the event of builder insolvency, return of retention is not subject to liquidator's administration processes and costs.

Retention Options

The retention money reforms should be coupled with legislation permitting parties to swap non-cash security (e.g. bank guarantees) with cash retention (& vice versa).

- It is often difficult for small contractors to obtain non-cash security. They may need to deposit money in a secured account as well as paying for the guarantee.
- Too often subcontractors struggle to receive the bank guarantee or bond back from the head contractor and there is typically no expiry date.
- Rapid adjudication may not be available for return of non-cash security, but is available for return of retention money.



Subbies Deserve Better



Urgent action is needed to protect subcontractors. As vital contributors to Australia's economy, subcontractors face growing pressure from workforce shortages and a booming work pipeline. Resolving non-payment of retention money through meaningful reform is critical.

Appendix B – List of MEA’s Recommended Actions

MEA’s Recommended Actions



Improving Project Selection and Sequencing

- **Advanced Capital Works Project Planning** - Government commit to a minimum 4-year uninterrupted pipeline for capital works programs.
- **Migrant Workers on Regional Projects** - Invest in attracting migrant workers to regional projects, complemented with gap training.

General Procurement Policies

- **General Procurement** - Design project procurement requirements to be flexible to accommodate project-specific social outcomes, with a limit on the number of non-price criteria in tenders.
- **First Year Apprentices** - Amend the *Construction Training Mandate* to require engagement of a certain number of first year apprentices in certain sectors.
- **Local Content** - Review government building policies to clarify implementation processes, particularly local content requirements.
- **Underrepresented Group Targets** - Workforce targets for underrepresented groups should be backed by measures to grow the pool of targeted workers.
- **Pre-Qualification Systems** - Streamline prequalification requirements for both head contractors and subcontractors. The Queensland government should incorporate this approach as part of its PQC framework review.

MEA's Recommended Actions Continued ...



- **Project conditions** - procurement rules should support flexibility and allow small businesses to compete fairly for major projects.

Contracting for Efficiency

- **Whole-of-Life Cost Considerations** - Consider whole-of-life costs, including operation and maintenance, rather than focusing solely on up-front build costs.
- **Technology Adoption** - Encourage industry adoption of technologies such as BIM and digital twin platforms to drive innovation and productivity, as part of a broader 'digital thread' approach, involving a common classification system and an interoperable digital traceability and conformance framework.
- **Bundling Contracts** - Ensure procurement models balance the benefits of bundling with fair access for smaller businesses, supporting broader industry participation.
- **Unfair Contract Terms** - Prevent "all-risk" provisions that unfairly transfer head contractor liabilities down the supply chain to subcontractors, including by:
 - **Practical Completion** - Ensuring subcontractor practical completion should not be linked to head contractor practical completion.
 - **Standard Contract Changes** - Requiring departures from standard form contracts to be clearly identified via tracked changes, a departures schedule, or special conditions of contract.
 - **Uncontrolled Delays** - Mandating that subcontractors are compensated for delays outside their reasonable control.

MEA's Recommended Actions Continued ...



- **Federal and State 'Unfair Terms'** - Aligning Queensland building contracts with federal determinations on unfair contract terms.

Building Regulations

- **NCC Changes or Opt-Outs** - Conduct thorough industry consultation before implementing any changes or "opt-out" options for NCC provisions.
- **NCC Update Process** - Improve transparency in the NCC / Queensland Development Code update process, including clearer consultation and publication of cost-benefit analyses.
- **Working Group for EV Charging Infrastructure** - Establish a dedicated working group to address the integration of EV charging infrastructure in buildings.
- **Free Access to Legislated Australian Standards** - Collaborate with other governments and industry to provide free access to mandatory Australian Standards
- **QBCC's Role** - Strengthen the QBCC's role in educating and enforcing legislated payment requirements, including reporting on the resolution of "monies-owed" complaints and auditing contracts for compliance with payment provisions.
- **Insurance Thresholds** – Raise threshold for insurable works in line with other jurisdictions.
- **Deposit Caps** - Exclude the value of significant items registered on the *Personal Property Securities Register* from the deposit cap calculation..

MEA's Recommended Actions



- **Licensing Overlap** - Remove licensing overlap between QBCC and ESO for ELV fire alarm and detection systems, and for air conditioning.

Financial Regulations

- **Central Authority** - Establish a central authority to hold all retention funds, with the option to extend this framework to non-cash securities
- **Non-Cash Retention** - Entitle parties to swap non-cash security, such as bank guarantees, for cash retention.

Modern Methods of Construction (MMC)

- **National Definitions** - Queensland Government to adopt national consistent definitions of MMC within its legislation.
- **Licensing** – Queensland to continue its current framework of requiring off-site electrical work to be performed by suitably qualified and licensed electricians.

Workplace Health and Safety Regulations

- **Compliance and Monitoring** – Review and update the Compliance Monitoring and Enforcement Policy to ensure enforcement actions are proportionate, consistent, and risk-based, developed in collaboration with industry to uphold safety while minimising unnecessary costs and disruptions.
- **Small Business Support** – Provide targeted assistance for small businesses with limited resources to stay informed and compliant with legislative and regulatory changes.
- **Incident Reporting Framework** – Establish a single, harmonised digital incident reporting framework, incorporating greater digitisation in safety compliance processes, developed in collaboration with industry.

MEA's Recommended Actions



- **Stoppage Data Review** – Implement the proposed taskforce to review stoppage data, address recurring issues, and update guidelines, with representation from the Construction Industry Sector Standing Committee.
- **Safety Framework** – Limit the authority of site shutdowns to qualified WHS Inspectors, or alternatively, require WHS Inspector confirmation where an HSR initiates a substantial shutdown disputed by the PCBU.

Labour Market – Training and Apprenticeships

- ***Small Business and Supervisor Incentives*** – Provide direct payments to small businesses and additional incentives for supervisors to encourage ongoing apprenticeship supervision and training.
- ***Apprentice RTO Training / Digital Training*** - Incorporate Virtual Reality (VR) into practical course components to overcome training facility constraints (lack of physical places and trainer shortages) and expand access for rural and remote apprentices.
- ***ATAR Senior School Subject*** - Rework the existing 'engineering' secondary school ATAR-scaled subject to be a broader 'sustainable technologies' subject (or similar), and to include a term on energy generation and electrotechnology, to attract more girls into the energy sector.
- ***Mature-Age Apprentices*** – Offer targeted wage subsidies for mature-age apprentices in small businesses, tied to the creation of new positions to grow training capacity.

MEA's Recommended Actions



- ***National Occupational Licensing Eligibility Law*** – Queensland Government support efforts to create a national eligibility law for electrical occupational licensing, ensuring Queensland standards are not lowered, and to include a national CPD framework.
- ***Delayed Training Licence*** – Introduce a training licence allowing newly qualified apprentices to continue working under supervision (as though they were still a fourth-year apprentice) while the application for their full electrical licence is processed
- ***Annual Course Fees for Electrical Workers*** – Provide support for small business electrical employers cover the costs of employee courses for licence maintenance.
- ***Skilled Migrant Workforce*** – Streamline licensing recognition, provide gap training on Australian Wiring Rules, and incentivise skilled migrants to work in rural and remote areas to address acute labour shortages and boost productivity.
- ***Trainers*** - Streamline TAE competency requirements and encouraging RTOs to utilise non-TAE-qualified trainers under general supervision of TAE-qualified trainers where appropriate (e.g. non-assessment).

Tax on Foreign Investment

- ***Remove Existing Taxes*** - Remove the ***Foreign Land Tax Surcharge*** and the ***Additional Foreign Acquirer Duty***.

MEA's Recommended Actions



Utility Connections

- Delayed Energy Connections*** – Guarantee Service Levels (GSL) should only be waived where the contractor has provided written agreement to an extension and waiver, or where delays are not driven by EQL, for example genuine defects or where electrical supply could not be connected safely but consideration needs to be given to energising up to the site's main switch then isolating at that switch where defects exist beyond that point. Also educate electrical contractors on GSLs.
- EQL Processes for Alterations and Repairs*** – EQL adopt a more flexible approach when assessing alterations and repairs to ensure determinations are reasonable and outcome-focused and allow for connections to proceed where possible, supported by accurate and consistent interpretation of the wiring rules relating to repairs and equivalent replacement parts
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- Inconsistent Compliance Assessments*** – Implement a free, efficient review mechanism to allow electricians to contest defect notices or supply requirements.

MEA's Recommended Actions



- ***Independent Oversight of EQL*** – In addition to a review mechanism for electrical contractors, broaden the Energy and Water Ombudsman's oversight of EQL, including categorising developers, contractors and builders as "relevant customers" under the ***Energy and Water Ombudsman Act 2006***, enabling resolution of industry complaints. Establish contractor and developer KPIs for systemic issues investigations, and have the ESO review defects cited as causes of delays to verify genuine safety issues.
- ***Defect Notice Transparency*** – Require clear, specific details for every defect during the initial inspection, including references to applicable standards, and implement a free, rapid review process to increase transparency and minimise costs and delays.
- ***Metering Installations*** – Enable electrical contractors to become registered Authorised Service Providers (ASPs) through a streamlined and low-cost process (e.g., a two-day metering installation course, online registration, and direct meter access). Post-installation verification by providers could ensure compliance without delaying power connection.
- ***Energex Electrical Accredited Persons*** – Remove the T0911 course requirement for licensed electrical workers and replace it with a short, targeted training course for accreditation.
- ***Consumer and Contractor Information*** – EQL provide clear guidance for electrical contractors to provide to customers following installation.