

# Comment - Engineers Australia

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As Australia's national peak body for engineering, Engineers Australia is the voice and champion of our 130,000-plus members, with over 28,000 residing in Queensland. Please find attached our four-page submission.

Further to Engineers Australia's June submission, we provide the following comments to the Queensland Productivity Commission's interim report, building on two key reform directions identified by the QPC.

Engineers Australia recommends the Queensland Government:

- Appoints a Chief Engineer in the public service, similar to NSW's Chief Scientist and Engineer role, to assist with QPC Reform Direction 1 "Governance and oversight of infrastructure decisions."
- Adopt and embrace Automatic Mutual Recognition to achieve nationally consistent engineering registration and occupational licensing consistent with QPC's Preliminary Recommendation 18 (Review of Occupational Licensing), Recommendation 19 (Regulatory Impact of Pending Licensing) and Recommendation 20 (Removing Barriers to Labour Mobility)



28 August 2025

Ms Angela Moody Productivity Commissioner and Chair Queensland Productivity Commission

By email: enquiry@qpc.qld.gov.au

#### Re: Response to Queensland Productivity Commission interim report

As Australia's national peak body for engineering, Engineers Australia is the voice and champion of our 130,000-plus members, with over 28,000 residing in Queensland.

Engineers Australia is a mission-based, not-for-profit professional association, constituted by Royal Charter to advance the science and practice of engineering for the benefit of the community. As Australia's signatory to the International Engineering Alliance (IEA), this includes accreditation of Australia's undergraduate university engineering programs. Engineers Australia maintains national professional standards, benchmarked against international norms.

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  assist with QPC Reform Direction 1 "Governance and oversight of infrastructure decisions."
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  Recommendation 20 (Removing Barriers to Labour Mobility)

# 1) Appoint a Queensland Chief Engineer

As the QPC has identified, Queensland faces significant infrastructure demands and challenges in the decade ahead and not just due to the Brisbane Olympics.

As the QPC notes in Reform Direction 1 – Governance and Oversight of Infrastructure Decisions - "there is a need to improve the decision-making process for public infrastructure projects in Queensland. Improvements could be achieved through better governance frameworks and instruments that surround how infrastructure projects are assessed, selected, sequenced and prioritised."

Further to the QPC's request (page 20) to hear stakeholder views on:

- the extent to which various institutional, assessment or governance arrangements can be effective mechanisms for improving decision making on public sector infrastructure, and
- design features which are likely to make any institutional, assessment or governance arrangements most effective

Engineers Australia recommends that Queensland appoint a Chief Engineer to not only assist with infrastructure-related governance and planning arrangements but to also share knowledge and practice more broadly across the public service.

For example, New South Wales' Chief Scientist and Engineer provides independent advice on research support and industry development, to drive research commercialisation, and science and engineering outreach.

Similar to the critical role Chief Scientists, Chief Architects and Chief Geologists undertake in a range of Federal and State Government settings, Chief Engineers in government can be responsible for providing productivity-enhancing, risk-minimising, sustainable, practicable, system-thinking, strategic and technical advice.

Such a role would improve infrastructure governance, procurement design and decision-making frameworks in ways that reduce cost overruns and improve delivery efficiency. This would help minimise risks, including cost and time overruns, and increase resilience, achieving optimal project outcomes.

As noted in the <u>Engineering Tomorrow</u> report, nationally around 45 per cent of all engineering work is completed for the public sector, yet only 15 per cent is executed by the public sector. This shift reflects an alarming reality—despite the increasing pressure on the government to deliver projects with greater scale and frequency, the share of engineers directly employed by the public sector continues to decline proportionally.

A Chief Engineer is a relatively low-cost investment and would draw on engineering expertise across the public service to address cost blowouts, risk identification, infrastructure quality, and shape innovative procurement and solutions, leading to strengthened public confidence and industry engagement.

A Chief Engineer could provide a strong contribution across government to the delivery of the productivity enhancing approaches identified by the QPC and industry – such as greater adoption of digital engineering (including, for example, the use of digital twins), and use of modern methods of construction, prefabrication, robotics and collaborative procurement models.

Even a ten per cent reduction in project overruns or efficiency gains could save Queensland billions annually – funds that could be reinvested in essential services and infrastructure.

## 2) Occupational Licensing - Adopt and Embrace Automatic Mutual Recognition

Engineers Australia urges the Queensland Government to adopt and champion Automatic Mutual Recognition (AMR) for the engineering profession to drive labour mobility, nationally consistent occupational licensing and registration, and national prosperity and productivity.

In many respects, Queensland is the vital missing piece in AMR. Queensland could play a key role in driving reform, consistency, simplicity and standards.

As the QPC notes "the streamlining of requirements for occupational licensing was one of the 26 reforms modelled by the Australian Productivity Commission at the request of the Australian, state and territory governments in 2024 as part of a revitalised National Competition Policy (NCP) and modelling indicated that occupational licensing reform could deliver the greatest economic benefits of those reforms whose benefits could be quantified (PC 2024, p. 14)."

The modelling of the 26 competition reforms valued streamlining, simplifying and lowering restrictions in occupation licensing as worth \$5 billion to \$10 billion.

Queensland's adoption of AMR can lead to greater harmonisation and national simplification to:

- Ensure the public has confidence that engineering services are performed by qualified, experienced, and competent professionals who adhere to ethical standards, develop safe and sustainable solutions, and effectively manage risks
- Enable the principle of "register once, practice anywhere" which will deliver national productivity benefits such as safety, consistent standards, reduced administrative and costs burden and improved labour mobility, and
- Unlock the full potential of modern construction methods like prefabrication, where components are manufactured off-site and transported across jurisdictions for assembly.

Without AMR, engineering professionals face unnecessary regulatory barriers that limit their, and their employer's, ability to work across borders, directly constraining the speed and flexibility of project delivery.

This fragmentation reduces productivity across the sector by constraining labour, slowing down approvals, increasing costs, and undermining the efficiency gains that technologies such as prefabrication are designed to deliver.

It leads to the duplication of compliance processes for national engineering firms, inhibits the mobilisation of skilled engineers and the efficient allocation of a skilled, qualified and professional workforce to meet Queensland's project pipeline.

The QPC notes the immediate benefits of AMR across occupational groups "are likely to be relatively small" and the administrative costs might "outweigh any potential gains". However, for engineering registration, this would not be a case of establishing new regulation or administrative processes, given that the Board of Professional Engineers of Queensland (BPEQ) already operates successfully.

### Queensland's highly successful BPEQ

Established ~95 years ago, the operation, practice, and assessment approach of the BPEQ and the registration of engineers (RPEQ) provides a co-regulatory model for other states to consider.

Queensland's adoption of AMR to drive consistent licensing and registration across some of the largest occupation groups – of which engineering is among the largest – would be to Queensland and the nation's advantage.

The range of examples the QPC identified in its interim report (page 245, Box 17.2) of Queensland-specific construction sector occupational licensing requirements in building surveying, fire protection, electrical safety, electrical apprentice competency requirements and pest control – highlight the fact that Queensland should be 'inside the tent' to help drive national consistency.

In the case of engineering registration, it is only in recent years that other states have put in place their own 'unique' schemes and approaches to regulation, areas of practice, and assessment. Victoria and NSW introduced registration schemes in 2021, ACT and WA in 2024, and legislation is pending for SA.

This has seen almost universal national coverage - but without national consistency.

For example, biomedical engineers need to be registered as biomedical engineers in Queensland but as mechanical or electrical engineers in Victoria. Similarly, mechatronics engineers need to be registered as mechatronics engineers in Queensland but as mechanical or electrical engineers in Victoria.

Such examples of haphazard, inconsistent and misaligned professional engineering registration definitions are the very reasons why we urge Queensland to embrace AMR to reduce red tape and help drive national consistency.

These differences add additional cost and administrative burden to professionals and businesses. They present legal risks to professionals who may be asked for advice across borders - necessitating conversations between engineers and clients whether they are legally able to undertake such work, potentially requiring additional registration, reducing productivity, increasing cost of doing business, and restricting access to the best people.

While not every state may agree with all aspects of the operation of the engineering registration scheme, Queensland has the experience to offer in assessment and Continuing Professional Development (CPD) approaches that could be of use to other state regulators.

We echo the QPC's own analysis that "on balance, publicly available information suggests that the benefits of Queensland's participation in AMR would outweigh the costs or risks. In the absence of further information, the weight of evidence appears to suggest that greater participation in AMR, at least in relation to the construction industry, is in the interest of Queensland workers, consumers and businesses." (QPC Interim Report Page 249).

The QPC's view is shared by a range of industry stakeholder submissions to the QPC, for example;

The Real Estate Institute of Queensland (REIQ) noted, "Mutual recognition of occupational licences should be strengthened across jurisdictions to improve labour mobility, particularly as large infrastructure and housing projects compete for the same talent pool. Therefore, we recommend the Queensland Government advocate for a nationally harmonised system to enable tradespeople to move between states with mutual recognition of licences. Making it easier for international and interstate tradespeople to relocate and work in Queensland is essential to alleviate labour constraints."

The joint submission by the Air Conditioning and Mechanical Contractors' Association (ACMA), the National Fire Industry Association (NFIA) and the National Electrical and Communications Association (NECA) noted "The Queensland Government should proactively engage with national AMR framework to ensure that mechanisms are in place to verify the substantial equivalence of competencies for specialist construction trades, thereby facilitating skilled workforce mobility while safeguarding Queensland safety and quality standards" (Recommendation 8, page 6).

Furthermore, recent submissions to the Australian Productivity Commission, as part of its review of occupation licensing and standards, also show broad industry support for AMR from groups including:

Business Council of Australia - "Our members strongly support the AMR scheme and report many positive examples of cross-border work without compromising quality. However, inconsistent licence recognition remains a barrier — limiting workforce mobility, particularly for FIFO roles and major infrastructure projects like transmission lines. Exemptions, inconsistent licensing standards, and varying insurance and regulatory requirements across states create a fragmented and burdensome system. Employers must navigate multiple regimes, while workers face duplicated requirements, added costs, and delays — even when already qualified." (Submission No. 53 Page 3 PC National Competition Policy Analysis 2025).

Australian Chamber of Commerce and Industry (ACCI) – "A modernised approach to Automatic Mutual Recognition (AMR) is essential to enhancing labour mobility and regulatory consistency. The Federal Government should prioritise Queensland's participation in the scheme before 2032, harmonise terminology across jurisdictions to support ease of navigation, and allocate appropriate funding and timelines for national implementation." (Submission No.87 Page 6 to PC National Competition Policy Analysis 2025).

Queensland has the experience, expertise and co-regulatory model to help drive towards national consistent engineering registration. Queensland's leadership, participation and voice is vital to drive AMR reform and help lift national productivity and prosperity.

Yours sincerely,

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