

Submission to the National Competition Council

Review of Mutual Recognition Schemes for Occupational Registration

Submitted by:

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1. Executive Summary

The Institute of Public Works Engineering Australasia (IPWEA) welcomes the Australian Government's revitalisation of the National Competition Council and the decision to undertake the first major review of Australia's mutual recognition arrangements in more than twenty years.

Labour mobility is fundamental to a productive national economy. This is particularly true for engineers, whose expertise is critical to delivering Australia's national priorities including housing supply, infrastructure investment, climate resilience and the energy transition.

Australia is currently facing significant infrastructure and housing delivery challenges. Infrastructure Australia estimates **the five-year Major Public Infrastructure Pipeline will reach \$242 billion** (Infrastructure Australia, *Infrastructure Market Capacity Report*, 2025). At the same time, Australia faces a significant shortage of engineering professionals. Engineers Australia estimates that the nation will require **approximately 60,000 additional engineers by 2030** to meet infrastructure and economic development needs (Engineers Australia, *Engineering Workforce Report*, 2022).

In parallel, the National Housing Accord has set a target of **1.2 million new homes by 2029**, which will require substantial supporting infrastructure including roads, drainage systems, water networks, energy infrastructure and transport connections.

In this context, barriers to labour mobility within the engineering profession represent a direct constraint on national productivity and infrastructure delivery.

While mutual recognition arrangements under the **Mutual Recognition Act 1992** were designed to enable workers to move seamlessly between jurisdictions, the experience of engineers demonstrates that the current framework does not consistently achieve this objective in practice.

IPWEA considers national engineering registration reform to be a **high strategic priority**.

While mutual recognition frameworks were designed to support labour mobility, current arrangements are not delivering seamless outcomes in practice. Fragmented regulatory systems are constraining workforce mobility, increasing costs, and limiting the ability to respond to national infrastructure demands.

This is particularly critical given:

- the scale of the national infrastructure pipeline
- emerging workforce pressures linked to major transport and energy projects
- ongoing shortages in engineering capability across jurisdictions

IPWEA supports a nationally consistent approach to engineering registration, including progression toward a **national registration system**, supported by transitional reform pathways that respect state and territory regulatory sovereignty.

IPWEA's position aligns with the joint submission provided by **Engineers Australia, Consult Australia, and Professionals Australia**, which highlights the need for nationally consistent engineering registration arrangements.

2. About IPWEA

The Institute of Public Works Engineering Australasia (IPWEA) is the leading professional association representing public works engineers and infrastructure asset management professionals across Australia and New Zealand. Our members are responsible for planning, delivering and managing much of the infrastructure that underpins Australia's communities and economy, including roads, water systems, stormwater networks, community facilities and urban green infrastructure.

As the professional body representing engineers working at the frontline of infrastructure delivery and stewardship, IPWEA has a strong interest in policy reforms that improve workforce capability, infrastructure productivity and the efficient delivery of public assets across all levels of government.

Local government engineers alone manage infrastructure assets valued at \$424 billion across Australia's local government sector (Australian Local Government Association, National State of the Assets Report, 2024).

As such, the engineering workforce represented by IPWEA plays a critical role in delivering national priorities including infrastructure productivity, climate resilience and community wellbeing.

3. Importance of Labour Mobility for Engineers

Engineering is a profession that directly enables economic activity.

Infrastructure engineers support the delivery and operation of assets that allow economies to function efficiently, including transport networks, water systems, energy infrastructure and urban development.

Australia currently faces significant workforce constraints across engineering and infrastructure sectors.

Key indicators include:

- **Engineering skills shortages:** Engineering occupations remain on Australia's **National Skills Priority List**, with shortages across civil, structural, environmental and transport engineering disciplines (Jobs and Skills Australia, 2024).
- **Infrastructure pipeline pressures:** Australia's national infrastructure pipeline exceeds **\$200 billion**, creating substantial demand for engineering capability (Infrastructure Australia, 2023).
- **Housing delivery targets:** The National Housing Accord requires delivery of **1.2 million homes by 2029**, requiring significant supporting infrastructure.

Engineering workforce mobility is not only a productivity issue it is a **labour market efficiency issue**.

Current regulatory fragmentation contributes to:

- **Recruitment challenges:** Employers face reduced candidate pools due to jurisdictional registration barriers
- **Retention pressures:** Engineers are less willing to relocate where re-registration is complex or duplicative
- **Increased labour costs:** Scarcity of locally registered engineers drives wage inflation and project cost escalation
- **Consultant availability constraints:** Limited pools of registered practitioners increase reliance on a small number of firms, reducing competition and increasing costs

These challenges are becoming more pronounced as national labour demand shifts toward large-scale infrastructure programs, including housing delivery and major event infrastructure such as the Olympics.

Without reform, Australia risks a structurally inefficient engineering labour market, where capability exists but cannot be deployed where it is needed most.

Industry stakeholders also noted the potential benefits of greater national consistency for trade qualifications, which would complement improvements to engineering mobility.

4. Impacts on Local Government and Public Works Delivery

Local governments are responsible for around one-third of Australia's public infrastructure assets by value and play a critical role in delivering essential services to communities.

The current fragmentation of engineering registration frameworks has several practical implications for councils and public works delivery.

Project delays

Councils often experience delays in infrastructure and development projects due to difficulties securing engineers who hold the appropriate registration for the relevant jurisdiction. This can be particularly challenging for smaller councils with limited internal engineering capability.

Increased reliance on consultants

Where councils cannot recruit or retain registered engineers, they frequently rely on external consultants to provide engineering certification or oversight. While consultants play an important role, this reliance can increase project costs and place additional pressure on council budgets.

Border-region challenges

Councils located near state borders face disproportionate impacts under current arrangements. In many cases:

- engineers based within close geographic proximity cannot practise across borders without additional registration

- councils must engage separate practitioners for similar work across adjacent jurisdictions
- delays occur due to uncertainty around regulatory applicability

This creates inefficiencies that are not aligned with how infrastructure systems operate in practice, particularly for:

- transport corridors
- water systems
- regional development projects

Compliance risk and regulatory inconsistency

Differences in regulatory definitions, thresholds, and enforcement create real compliance risks, including:

- uncertainty over what constitutes “professional engineering work”
- inconsistent requirements for certification and sign-off
- exposure to legal and liability risks where regulatory expectations differ

This inconsistency increases administrative burden and risk exposure for councils and engineering practitioners alike.

5. International Regulatory Frameworks

International experience demonstrates that engineering regulation can support both high professional standards and strong labour mobility. Australia already supports international mobility of engineers through mutual recognition agreements, yet domestic mobility remains fragmented.

United Kingdom

The United Kingdom operates a national engineering registration framework through the **Engineering Council UK**, which administers professional registration categories such as Chartered Engineer (CEng) and Incorporated Engineer (IEng). Registration is recognised nationally across the UK (Engineering Council UK, *UK Standard for Professional Engineering Competence*, 2020).

New Zealand

New Zealand operates a national system through the **Chartered Professional Engineers Register** under the **Chartered Professional Engineers of New Zealand Act 2002**, enabling engineers to register once and practise nationally.

Canada

Canada maintains provincial licensing systems coordinated through **Engineers Canada**, with nationally aligned competency standards that support labour mobility between provinces.

International Competency Standards

Engineering professions globally operate within recognised frameworks including:

- the **Washington Accord** for engineering education accreditation
- competency standards developed through the **International Engineering Alliance**.

These frameworks demonstrate that national harmonisation can occur while maintaining strong professional oversight.

Trans-Tasman Consideration

There is also an opportunity to consider **trans-Tasman alignment over time**, given:

- the close integration of Australian and New Zealand engineering labour markets
- shared professional standards and frameworks
- existing mobility pathways in other professions

While not an immediate reform priority, greater alignment could support workforce flexibility across both countries and strengthen regional capability, particularly in the South Pacific.

6. Reform Opportunities

The National Competition Council's review provides an opportunity to strengthen labour mobility for engineers and improve the effectiveness of Australia's occupational licensing system.

Several reform pathways could be considered.

Option 1 – Improve the Existing Mutual Recognition Framework

This could include:

- standardising engineering registration categories across jurisdictions
- harmonising definitions of regulated engineering services
- streamlining administrative recognition processes
- removing duplicate fees and regulatory steps.

While this approach would improve the current framework, structural inconsistencies between jurisdictions may remain.

Option 2 – National Harmonisation Framework

A national framework could establish consistent engineering registration standards across states and territories, including:

- common competency standards
- consistent professional conduct requirements
- harmonised continuing professional development expectations
- interoperable registration systems.

Jurisdictions would retain regulatory authority while operating within a consistent national framework.

Option 3 – National Engineering Registration System

A longer-term reform option would be the establishment of a **national engineering register**, operating similarly to a driver's licence model.

This differs from Engineers Australia's National Engineering Register (NER), which is a professional recognition framework but not a statutory licensing system.

Under such a system:

- engineers would register once nationally
- registration would allow practice anywhere in Australia
- national competency standards would be applied consistently.

This approach would significantly improve labour mobility and reduce regulatory duplication.

IPWEA recognises that establishing a national engineering register would require close collaboration with states and territories and careful transition planning. However, the scale of Australia's national economic and infrastructure challenges justifies a system that eliminates duplication while maintaining rigorous competency standards.

A national system would support a more efficient engineering labour market and enable engineering expertise to move more easily to areas of national need.

7. Recommendation

IPWEA recommends that national engineering registration reform be treated as a **priority productivity reform for Australia**.

In particular:

- progressing toward a **national registration system** should be a clear policy objective
- reform pathways should be designed to **respect state regulatory authority while reducing duplication**
- governments should work collaboratively with industry bodies, including Engineers Australia, Consult Australia, Professionals Australia, and IPWEA

A nationally consistent system will:

- improve recruitment and retention of engineers
- reduce labour and project delivery costs
- increase availability of engineering expertise across regions
- support delivery of national priorities, including housing and major infrastructure

IPWEA would welcome the opportunity to work with governments, regulators and professional bodies to support the development of a nationally consistent engineering registration framework that enhances workforce mobility while maintaining strong professional standards.

8. Conclusion

Australia's future prosperity depends on a highly skilled and mobile engineering workforce capable of delivering the infrastructure that supports economic growth and community wellbeing.

At a time when Australia is seeking to deliver:

- **\$200+ billion in infrastructure investment**, and
- **1.2 million new homes by 2029**,

removing regulatory barriers to engineering workforce mobility represents a practical and achievable productivity reform.

For local governments responsible for delivering and maintaining much of Australia's essential infrastructure, reducing regulatory complexity will support more efficient project delivery and better outcomes for communities.

Australia does not lack engineering capability—it lacks the ability to **deploy that capability efficiently across jurisdictions**.

At a time of:

- unprecedented infrastructure investment
- growing workforce shortages
- rising delivery costs

the case for nationally consistent engineering registration is clear.

This is not simply a regulatory reform it is a **productivity reform**, a **labour market reform**, and a **nation-building reform**.

IPWEA stands ready to work with governments and industry partners to support a reform pathway that delivers a more mobile, efficient, and capable engineering workforce while respecting the role of states and maintaining strong professional standards.

IPWEA welcomes the National Competition Council's review and looks forward to contributing to reforms that strengthen Australia's engineering workforce and support more efficient delivery of the infrastructure that Australian communities depend upon.



Ben Clark

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