26 November 2013

Economics and Industry Standing Committee Legislative Assembly Committee Office Level 1, 11 Harvest Terrace West Perth WA 6005



BY EMAIL: laeisc@parliament.wa.gov.au

Dear Sir/Madam

Re: Inquiry into the Economic Implications of Floating Liquefied Natural Gas Operations

Thank you for the opportunity to appear before the Economics and Industry Standing Committee on Wednesday 13th November.

Engineers Australia would like to submit the following supplementary information in response to questions raised at the hearing.

With regard to the issue of registration of engineers, Engineers Australia fully supports the introduction of a regulatory regime in Western Australia. We would offer the following comments.

Engineers are not required to be registered in WA. Queensland has comprehensive regulation of professional engineers and other states and territories have some regulation of engineers, usually through Building Acts and through Australian standards.

Reasons to regulate include the following:

- Reduce risks to public health, safety, and welfare by allowing only registered
 engineering practitioners to offer services that place the public safety, health
 and welfare at risk. This eliminates unqualified persons from the market and
 prevents engineering practitioners found guilty of misconduct from continuing to
 practise.
- Create legislative efficiency by removing inconsistencies between multiple qualification requirements across many pieces of legislation.
- Create industry/consumer efficiency by giving information to purchasers of engineering services, large and small, on the education and experience levels of engineering practitioners, enabling choices to be based on information other than price alone. Industry can select appropriately qualified and experienced engineering practitioners, to prevent poor design leading to failure, costs and potential litigation.

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- Provide professional recognition for engineering practitioners, who play just as important role as other professionals by having a high degree of responsibility and liability imposed on them by both courts and regulators. A registration system will identify those with the appropriate skills, and contribute to the maintenance of high standards and skills.
- Enhance international mobility and trade in engineering services. Statutory
 registration is recognised as common currency in the international trade of
 engineering products and services, and certificates of compliance from
 registered engineering practitioners are required in many instances. It can also
 facilitate temporary and permanent skills migration.

A Western Australian Engineers Act could incorporate the following:

- Adopt a co-regulation model, involving government and professional associations
- Include all areas of practice and all occupational categories
- Register individuals not companies
- Base registration on demonstrated competence to practice, with international and national recognition of competency standards and assessment procedures
- Require continuing professional development and auditing
- Professional associations to set standards and conduct assessments
- Registration board to investigate complaints and implement penalties

This Act could either require all engineers to be registered, or allow other Acts of Parliament to restrict delivery of engineering services to those persons on the register under the Engineers Act as and when required (ie the Building Act).

Engineers Australia strongly urges government to introduce a registration system for engineers in Western Australia.

With regard to future engineering capability in Western Australia, we offer the following comments:

Engineers Australia would like to see the state have an expanding local engineering capability that is not only focussed on servicing the operations of the resource sector, but also facilitating broader industry development, with capability to service a world market.

Our engineering capability should provide continuous productivity and reliability improvement in fit for purpose infrastructure.

Perth could be recognised as a world energy city and as a natural base to service Asia, India, the Arab Gulf and Africa because of its innovative industries.

The State needs sufficient non-resource dependent engineering industries that provide resilience in the event of future resource sector shocks.

Some key initiatives could include:

- Developing a State engineering capability strategic plan that leverages the demand from the resource sector, and recognises the importance of developing more balanced engineering capabilities.
- Making WA's innovation system more strategic, with a commitment to longerterm programs and making purchasers part of the innovation system.
- Facilitating the development of a State-wide strategic plan for engineering education, and encouraging all jurisdictions to work together to develop a national plan.
- Continual monitoring of the outcomes of local content initiatives and seeking to increase local content by industry groups and governments.
- Identifying research and physical infrastructure needs that are impeding opportunity for local industry involvement or that would enhance such opportunity.

Engineers Australia has identified the following engineering dependent areas that offer potential for growth:

- Marine and maritime engineering
- Defence engineering
- ICT engineering
- Renewable energy and clean technology engineering
- Water engineering
- Automation and remote mine management

Should you have any questions about this supplementary submission or Engineers Australia's position more broadly, please do not hesitate to contact me directly, either by telephone on 08 6214 6309, or by email on lhardwicke@engineersaustralia.org.au.

Thank you for consideration of this submission.

Yours sincerely

Leanne Hardwicke

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