

MUTUAL RECOGNITION (WESTERN AUSTRALIA) BILL 2010

Introduction and First Reading

Bill introduced, on motion by **Mr C.J. Barnett (Premier)**, and read a first time.

Explanatory memorandum presented by the Premier.

Second Reading

MR C.J. BARNETT (Cottesloe — Premier) [12.23 pm]: I move —

That the bill be now read a second time.

The purpose of this bill is to continue Western Australia's participation in the national mutual recognition scheme by adopting the commonwealth Mutual Recognition Act 1992 under section 51(xxxvii) of the Australian Constitution for another 10 years. In 1992, Western Australia signed an intergovernmental agreement with the commonwealth, other states and the territories, which established the framework for the national scheme. Western Australia has participated in the scheme since 1995, and does this by adopting the commonwealth Mutual Recognition Act 1992 for specific periods of time. The current act, the Mutual Recognition (Western Australia) Act 2001, will expire on 28 February 2011, and this bill will continue Western Australia's adoption until 28 February 2021.

The national mutual recognition scheme promotes economic integration by reducing regulatory barriers to the interstate flow of goods and labour between Australian jurisdictions. The scheme is based on two principles, which are subject to exceptions. In relation to goods, the general principle is that goods produced in, or imported into, one jurisdiction, and that may be sold lawfully in that jurisdiction, may be sold in a second jurisdiction without meeting further regulatory requirements. For occupations, the general principle is that a person registered to practise an occupation in one state or territory can practise an equivalent occupation in any other state or territory. Western Australia also participates in the trans-Tasman mutual recognition scheme and adopted the commonwealth Trans-Tasman Mutual Recognition Act 1997 in 2007.

In 2008, the Productivity Commission conducted a review of the national and trans-Tasman mutual recognition schemes, and released its final report in January 2009. The Productivity Commission examined the economic impacts of mutual recognition and the legislative framework. The Productivity Commission found that the national and trans-Tasman mutual recognition schemes have increased the mobility of goods and labour around Australia and across the Tasman. In relation to goods, it found that mutual recognition has led to lower regulatory compliance costs for businesses arising from jurisdictional differences, and that there is some evidence that this has contributed to the expansion of interstate and trans-Tasman trade. In relation to occupations, the Productivity Commission concluded that increased labour mobility and reduced wage dispersion are consistent with the expected effects of mutual recognition of occupations. There are other forces affecting the Australian economy that also play a part in increasing the flow of goods and labour. The demand for skilled labour will continue to grow in Western Australia, and the mutual recognition schemes will enable people in registered occupations from other jurisdictions to be registered in Western Australia with a minimum of red tape.

The Productivity Commission suggested some changes to the national and trans-Tasman legislation, with a view to providing greater clarity in relation to certain provisions and processes, and to reflect existing practices where appropriate. These suggestions have been considered by the commonwealth, state, territory and New Zealand governments. However, what changes will be made and when these changes are likely to occur has not yet been determined. This Parliament will have the opportunity to scrutinise any proposed changes to the text of the commonwealth Mutual Recognition Act 1992 before it can become law in Western Australia. The bill will adopt the commonwealth Mutual Recognition Act 1992 as originally enacted, and any amendments made to it, before it receives royal assent. Since 2001, the commonwealth act has been amended once, and this occurred earlier this year to add a South Australian provision to the list of permanent exemptions in schedule 2.

In keeping with past practice, the bill includes a termination date of 28 February 2021, unless the Governor determines an earlier date. Changes to the schedules to the commonwealth act can be made by regulation and, unlike the 2001 act, this bill includes a provision that requires the tabling of those commonwealth regulations in this Parliament. The commonwealth Mutual Recognition Act 1992 is not attached as a note to the bill, which is consistent with the approach recommended by the Legislative Council Standing Committee on Legislation for the Trans-Tasman Mutual Recognition (Western Australia) Act 2007.

Western Australia benefits from being part of the national mutual recognition scheme, and should continue being a participating party for another 10 years. I commend the bill to the house.

Debate adjourned, on motion by **Mr D.A. Templeman**.

