

Reclaim Our Trade



An association established to support all Refrigeration and Air Conditioning Specialists
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SUBMISSION

TO

- Training Ombudsman Queensland
- Commonwealth Ombudsman
- Queensland Ombudsman
- Environmental Protection Agency Queensland
- Divisional Workplace Health & Safety Queensland
- Australian Department of Sustainability,
Environment, Water Population & Communities
- Australian Apprenticeships
- (NOLA) National Occupational Licensing Authority

November 2011



Kim Limburg
Secretary
Reclaim Our Trade

Foreword:

In June 2008 a group of Refrigeration and Air Conditioning (RAC) Specialists along with their families and friends realised their concerns were falling on deaf ears under both the leadership of Anna Bligh's Queensland Government and Kevin Rudd's Federal Leadership.....so began, "Reclaim Our Trade".

Reclaim Our Trade is dedicated to ensuring the framework for quality training, industry support, consumer protection, meeting our carbon emissions trading scheme objectives for the environment and working towards reducing skills shortages are all achievable for the long term.

As Secretary of Reclaim Our Trade and a Refrigeration and Air Conditioning Business Owner for more than 8 years, I take this opportunity to submit a comprehensive grassroots perspective of the significant impact State and Federal legislations, departments and tangential trade unions currently inflict on our tradespeople, public safety, consumer protection and the environment. The information provided has been accumulated over a four year period from tradespeople and industry. Reclaim Our Trade currently represents more than 400 RAC tradespeople in Australia, many based in Queensland.

While many Reclaim our Trade members are Queensland-based, the issues discussed within this submission include both State and Federal involvement. In Qld the RAC industry is being consumed by electricians, while in Victoria the problem exists with plumbers. As some issues are relevant on a national level, impacting on all States and Territories, for the purpose of this submission we will focus on Federal and State issues relating to Queensland while stressing that these are also impacting on all States and Territories and are most definitively not restricted to the air conditioning sector of the RAC industry.

It is the direct result of the strength of the electrical unions along with State Government support versus a complete lack of union representation or strong industry body on behalf of Australia's RAC tradespeople that our industry is being overtaken by plumbers and electricians with many negative consequences.

The National Arctick licensing system has provided electricians and plumbers throughout Australia with a "Split" licence. In turn and with no legislative, administrative or regulatory authority to do so, electricians and plumbers are using this "Environmental" licence as the only requirement to install split system air conditioners in residential and commercial premises.

We take this opportunity to seek your consideration of the RAC industry's loss of work Australia-wide, the reasons this is occurring and the impact on trade qualified Refrigeration and Air Conditioning Technicians, their families and the safety of the general public. Should you have any questions, or wish to discuss any of the issues raised in this submission, please contact me via telephone 0403 680 981, or email kim@resq.net.au.

Sincerely

Kim Limburg
Secretary
Reclaim Our Trade

BACKGROUND

Australia's Refrigeration and Air Conditioning (RAC) Industry

The Australian RAC industry is fragmented and difficult to define, with approximately 26 identified sectors, including:

- domestic and commercial air conditioning for residential and commercial properties
- domestic refrigeration
- commercial refrigeration such as the cabinets which house the "Cold Storage" for outlets such as Woolworths and Coles supermarkets and
- motor vehicle air conditioning.

While this submission focuses specifically on domestic and commercial air conditioning for residential and commercial properties, the issues it raises are occurring within many other sectors of this industry.

Focus within the industry tends to be dollar-driven with little regard given to environmental issues, consumer safety or tradespersons' safety. For example air conditioning manufacturers focus on increased sales forecasts, so they are inclined to support cheaper alternatives to installation, such as using installers who have undertaken a "quick and dirty" 3 day Certificate II course, rather than a full trade qualification, and retailers follow this trend, as cheaper installation prices encourage a greater sales volume.

Manufacturers, retailers and the electrical unions have all been invited to have their say across a range of political processes and industry consultation; while tradespeople and small business owners have had little or no representation during industry consultations. While lip service has been paid to the inclusion in these processes of larger organisations within the RAC industry, their concerns have been cast aside by government, which has invariably taken the side of more powerful players.

As a result, the interests of small business owners relying on their Refrigeration and Air Conditioning trade qualifications and the validity of their BSA licences to maintain viability have been ignored. Not only are businesses losing so much work that they are having to close down, but safety and environmental considerations are being ignored, to the detriment of consumers, environment and industry.

This submission is broken down to 6 segments covering;

- **Certificate 11 Split Training**
 - Refrigeration and Air conditioning including Restricted electrical
 - Arctick "Refrigerant Handling" licence – Electrical Contractors and the QBSA
- **Arctick**
 - Arctick's role in addressing greenhouse emissions, advisory board to Commonwealth Government and allegations of misrepresenting the industry, government and consumers
- **Electrical Safety Office**
- **Workplace Health & safety**
 - Risks associated with the installation of refrigeration & air conditioning systems
 - Incorrect reporting
- **Environment**
 - Why carbon footprint has increased
- **Consumer Protection**

TRAINING

CERTIFICATE II SPLIT LICENCE FOR AIR CONDITIONING

The Certificate II (Cert II) course was originally designed in South Australia for the purpose of addressing skills shortages within the local industry, with the intention that Cert II holders would only be qualified to work under the supervision of trade qualified RAC tradespeople. It was designed for those with 4+ years experience in the installation of split system air conditioners and included a rigorous RPL process to ensure technical competencies were achieved and an estimated average of 400 hours was allocated for completion of the full course.

The training program became available on the (NTIS) National Training Information Service's website, easy access for Registered Training Organisations (RTO's).

In approximately 2003 the Australian Refrigeration Council (Arctick) identified a requirement for a course to enable it to provide Cert II licences. Rather than following a quality agenda, it chose to take the "quick and dirty" option; hence the introduction of the abovementioned course.

A push then transpired to ensure fast and easy completion of the course for electricians and plumbers, to the extent that the course could be completed in as few as three days. The Electrical Contractors Association Queensland (ECAQ) subsequently received funding for the course and took the opportunity to grade students as "Competent" in one day, at a cost to the electrician of \$25.00.

Many more RTO's began to offer three day courses to electricians throughout Qld and Arctick itself then took the step of providing online assessments with competencies being awarded for nothing more than online photographs. Arctick continues to offer online courses for varying competencies.

I submit as **Attachment "A, a copy of CCN In Focus Investigation and a letter from Mr Brett Wright**, involved in the original implementation in South Australia and as Arctick manager, SA instructed to source an appropriate course for Cert 11. Mr Wright did so with the belief this would aid industry in addressing skills shortages, unaware of the abuse of the course that would follow. .

I further provide for evidence contact details of the RAC tradesperson who contacted the ECAQ alluding to be an electrician and was advised via phone of his ability to complete the cert 11 course in one day at his own personal cost of \$25.00. **Mr Matthew Coates Mobile: 0409 715 501**

Attachment "B" The ECAQ President Mr Geoff Baldwin advertising as a qualified RAC serviceperson on the ECAQ website and response letter to Reclaim Our Trade's complaint from Director General DEIR.

Attachment "C" advertising for Cert II courses over duration of 2 days

I submit as **Attachment "D" a mapping comparison** supplied by Mr Darrell Cox, formerly of Energy Skills QLD. The comparison between cert 111 RAC qualifications and Cert 11, there is very little credit transfer from cert 11 to cert 111.

CERTIFICATE 111 REFRIGERATION & AIR CONDITIONING QUALIFICATIONS, INCLUDING RESTRICTED ELECTRICAL LICENCE.

Attachment “D” mapping conversion outlines the competencies achieved in Cert III RAC qualifications.

RAC trades people's work can be up to 90% electrical work, including electrical diagnostics and repairs. However, rather than requiring general electrical skills, the work of an RAC tradesperson is highly specialised, and to be carried out safely, requires specific and extensive training. It must be noted that a great deal of the electrical work is a “Specialised Field” of electrical.

It is a requirement for RAC tradespeople in Qld to hold restricted electrical licences for the purpose of carrying out all electrical work relating to the RAC trade, however the scope of electrical works is consistently being reduced for RAC tradespeople by the electrical industry to the point that it is now common for unsafe practices to be implemented across the industry.

As opposed to peripheral trades RAC tradespeople are extensively trained in the operations of refrigeration and air conditioning systems, including and not limited to refrigerant pressures and the psychometrics. **Attachment “E” Refrigeration & air conditioning overview.** The electrical work relating to the RAC trade is specialised to the extent that this is the only trade that requires its operators to hold competencies to work on electrics minus 10 degrees and under.

While it is the RAC tradesperson who is the technically competent person to carry out the interconnect wiring between air conditioning indoor and outdoor units, the law states that the electrician is the only person that may perform this task.. Many electricians ask the RAC tradesperson to complete the interconnect wiring as they either don't have the skills or are not interested in doing the work. However, the Electrical Safety Office fines RAC tradespeople for undertaking this task, regardless of the fact they are the technically competent persons. In response to extensive lobbying by the powerful electrical unions and their stakeholders, the *Electrical Safety Act 2002* focuses on sector control by the electrical industry, rather than safety and consumers' best interest.

One discussion I had with a local supplier was that several electricians could not understand why a ducted system they had installed was not working, they had not correctly attached the interconnect wiring.

Stephanie Bugg, a RAC tradesperson won gold at the International Skills awards for the very work that is against the law for her to carry out, interconnect wiring. Assessing RAC tradespeople within just the 10-20 year trade experience group will highlight the extensive electrical skills acquired throughout their time as RAC tradespeople. **Attachment “F” Letter from Racca-Irase Qld to the QLD Premier and an article on Stephanie Bugg winning gold.**

Further comment on the ESO will be discussed in the Electrical safety section of this submission.

New South Wales, Office of Fair Trading adopted an excellent model which recognises three separate specialised trades; RAC, Electrical and Plumbing **Attachment “G” Correspondence from the Office of Fair Trading, NSW confirming the installation of air conditioning systems must be carried out by a RAC tradesperson, and letters from significant sitting members to Reclaim Our Trade.**

ARCTICK “REFRIGERANT HANDLING” LICENCE - ELECTRICAL CONTRACTORS IN QUEENSLAND - QBSA

Refrigerant handling licences are not restricted to the trade qualified; licences are supplied to Cert II holders although they do not have the technical competencies to handle the refrigerant. In Qld, electricians holding Cert II Arctick licences, which are for the handling of refrigerant only, rather than trade competency licences, are the only Cert II holders allowed to carry out split air conditioning works.

The electricians are at no less of a risk as the plumbers, **Attachment “H” Plumber dies resulting from refrigerant pressure in pipes.**

In an attempt to stop the practice of electricians operating outside their scope of works such as installing ducted systems, servicing and repairs of systems, Reclaim Our Trade has raised the issue with the Qld Building Services Authority (QBSA) to no avail.

Reclaim Our Trade representatives initially met with Cameron Murphy, Manager Regulatory Services QBSA. Cameron copied invoices Mr Coates supplied as evidence of estimated costs of works with regard to Clive Peters, arguing that electricians were carrying out works in excess of the \$1,100 “*BSA Licensing required above this amount*) Mr Coates estimated the works would average \$3,300.

In response, the QBSA increased the works to accommodate electricians to the new \$3,300 limit. BSA licensing requires that a person must be BSA Licenced to carry out works in excess of the \$3,300 limit and to achieve this a person must be a trade qualified refrigeration tradesperson. Mr Murphy went on to say that a supervisor holding a BSA licence can import 100 monkeys from Asia to carry out the works. Mr Coates recorded the meeting. **“All recordings are available to listen to on the disk provided”.**

Attachment “I” BSA Building Works Increase and Fact sheet for split systems and Attachment “J” submission to the QBSA. An initial meeting took place between the BSA executives and Reclaim Our Trade representatives, President, Racca-Irase, Brian Vaughn was also in attendance.

A further meeting was agreed as outlined below;

Attachment “K” Agenda of Meeting between RAC industry representatives, BSA and ESO.

Qld Government departments have displayed inconsistencies for electrical contractors performing air conditioning works here in Qld. It took more than 12 months to research and establish exactly who licences electricians in Qld to install split systems, Matthew Coates and I constantly requested the information from the ESO and the BSA and it was not until a meeting was organised between RAC industry Representatives, BSA and ESO that we were finally told the truth, NO ONE LICENCES ELECTRICIANS to install split systems and the *Electrical Safety Act 2002* relates only to the associated wiring of the systems.

Important items came out of the meeting;

1. The ESO admitted no one licences electricians to carry out the installations of air conditioning systems in QLD, as it is outside the scope of an electrical contractors licence.
2. The only time the ESO will address a complaint is when it relates specifically to the *Electrical Safety Act 2002* and is entirely wiring related.

- A. The ESO will investigate a complaint if it relates to unsafe wiring.
 - B. The ESO will not investigate a complaint if it relates to the installation of an air conditioning system.
3. The BSA will issue a directive to repair in the event of a complaint relating to an electrical contractor's installation of air conditioning;
- A. The BSA has no power to issue a directive to repair to an electrical contractor and neither does the ESO
 - B. AMCA President, Graham Mackrill was to complete a submission to the BSA, this was never done.
 - C. Electrical contractors cannot install ducted systems as outlined in the BSA fact sheet as ducted systems all require some amount of "Rigid" duct work. Copies of "Electricians Exceeding" and "Nursing Home" incidents **Attachment "L"** were supplied to all in attendance and never addressed. The nursing home incident is a serious health issue. While the timeframe for lodging a complaint with the BSA may have passed, the health concerns are still valid.

Attachment "M" Fax submitted to Lester Air conditioning (Electrical Contractor) including photos, customer's email, including an email response from Patrick McInerney Director, Ozone and Synthetic Gas Team regarding the illegal works of Lester Air Conditioning and Arctick's 2IC's failure to investigate ; the holes are big enough for an adult male to fit through. 4 electricians scratching their heads on how to install the system, it takes only one refrigeration tradesperson. The evidence was presented outside the time frame for the customer to lodge a complaint.

In May of 2009 Reclaim Our Trade was advised the BSA was meeting with Industry representatives to establish the course requirements for the unlimited design licence, which allows for RAC tradespeople to quote on systems above three stories and systems over 18kw, and yet several years later the licence remains unachievable. . Earlier this year I contacted the BSA as there was still no course available in Qld to meet the licensing requirements, I was further advised that legislation prohibits RPL and that a course would not be made available as the BSA would wait for the national licensing system to commence. Essentially a qualification unattainable within the very state that demands the cert 1v qualification designed to allow RAC tradespeople to hold an unlimited design BSA licence.

Of particular importance is the reasoning behind the extra qualifications, simply put, a RAC tradesperson can and is trained to perform the complete scope of works and the unlimited design license is not a necessity.

ARCTICK

Arc Pty Ltd was contracted by Federal Government to establish a licensing body for the Refrigeration and Air Conditioning Industry with the joint objectives of reducing greenhouse emissions and reigning in rogue/illegal works.

The *Ozone Protection and Synthetic Greenhouse Gas Management Act 1989* and Regulation (Ozone Protection and Synthetic Greenhouse Gas Management Regulations 1995) are;

1. Primarily based on the control of refrigerant itself with no consideration on part of the system or the system's operations.

2. Totally environmentally driven in all varying aspects and that from the position of “emissions” of refrigerant.

The effects on assessing Refrigeration and Air Conditioning trade competencies from these as follows;

- A. Assessments for the determination of required competencies for various classes of refrigerant handling licences (RHL) belittled the technical competencies in favour of the limited environmental aspects of the refrigerant emissions potential as specified with legislation.
- B. External assessment of required competencies were governed not by the overall technical competencies for Trade outcomes but rather limited to the meeting of basic emission potential as per the legislation.

The catastrophic results have at the highest level of Government both in the preparation of and during changes to any or all aspects of the legislation and its resulting licensing system;

- I. A “dumbing down” of the overall trade by infusion of partly trained technicians competing directly against fully trained, trade knowledgeable tradespeople.
- II. *“He who knows, fears to tread, whilst those that don’t know, has no fear, for they have no fear of the dangers”* – whilst the public suffer the end results.” This best describes the resulting “disasters” throughout the RAC industry, particularly where the application of Cert II limited licensing has been applied under this Legislation.
- III. Energy efficiency both from the equipment itself and its situation was never included within any Cert II course assessment nor the licensing system under the legislation as it does not bear on emissions.

To strategically introduce the Cert II training package ensuring industry’s acceptance of a dumbing down, deceit was required to ensure that no contention may rise from the RAC industry, this was achieved by;

- a) Allan Woodhouse, CEO Refrigeration Council of Australia Ltd, stated often “Cert II air conditioning split systems qualifications would only be applicable under the supervision of Certificate III fully competent and trained tradespeople – this never happened.
- b) Progressive lowering of competencies but more importantly the de-emphasis on technical competencies in favour of environmental standards simplifying the gaining of certificate, hence licence.
- c) Applying course packages that were designed as an interim measure for RAC qualified tradespeople only, then extending those reduced competencies to a range of operators including those with little or no RAC work experience; in direct contradiction to the Department’s commitment to the RAC industry

Arctick was established and its alleged consultation with industry began, however, most RAC tradespeople were not advised of local consultations.

In addition, the terms of reference of the consultation were defined in such a way as to preclude RAC tradespeople from voicing their concerns.

A representative quote from a well-respected Sunshine Coast based RAC tradesperson was: *“The scope of the questioning was so narrow that I could not raise any real concerns”*. In addition, Government promised the RAC industry that an RAC industry board would be established. To date, this has not occurred. It is felt by the RAC industry that the reason for this failure of Government to keep its commitment relates to the negative impact that such a move would have on Arctick’s lucrative Cert 11 qualifications and their benefits to electrical and affiliate union members. **Attachment “N” Advertising of Arctick’s original intent.**

Leaked Arctick emails **Attachment “O”** highlights Allen Woodhouse’s efforts in securing a suitable role for George Thompson within Arctick. Woodhouse interfered in the correct procedures meant to ensure the Company’s policy of short listing internal staff to the final selection was followed through.

Allen Woodhouse, well known for his strategic political background, raised concerns from tradespeople across industry when Mr Woodhouse took steps to ensure George Thompson was hired and placed into a position to sign off on substandard training packages for electricians and plumbers and to report as industry advisor to Government. It is asserted that had a trade qualified person been hired to act as 2IC the electrical and plumber’s training packages for cert 11 might not have been accepted.

Many internal staff, board members and industry persons are disillusioned with Arctick’s *modus operandi* as outlined above, and have expressed a willingness testify in that regard.

The industry was excited at the commencement of Arctick licensing in the mistaken belief that it would be good for industry, further more the procurement of the cert 11 training package was initially supported as it was believed cert 11 would carry out the installation of air conditioning systems only under supervision of trade qualified persons.

Attachment “P” Transcript of recordings between George Thompson and Matthew Coates. The following relates to the unprofessional conduct of Arctick 2IC George Thompson, which has been submitted due to Mr Thompson’s leadership role and the flow on effect on the industry:

1. Page 8 of the attached recording transcript (Independently Transcribed –highlighted in **RED**) and 10.40 minutes into the voice recording provides evidence of Arctick’s 2IC George Thompson falsely stating numerous times he is a refrigeration mechanic and comments on his dislike of Cert III tradespeople.
2. The second recording is a follow up phone call between Matt Coates and George Thompson including reference to the investigation request of Lester Air Conditioning and Mr Lester’s substandard a/c installation works mentioned in **Attachment “M”**
3. Matt Coates follow up email to George Thompson and George Thompson’s response via email.

Further evidence of Mr Thompson’s incompetence and subsequent impact on industry and the environment includes the training provided to Townsville council staff, Waste Facilities Management Division.

Mr Mike Gilmore, Qld State Manager, Arctick, conducted training to Council staff on the subject of decanting refrigerant at the waste facilities.

The training program was not delivered by an (RTO) Registered Training Organisation and raises questions of the validity of the course delivered **Attachment “Q”Waste Facilities**

The writer has since heard from Kev Ballment, trade contractor previously hired to decant refrigerant that council staff are on average decanting only an average of 190 per quarter contrary to the average of 200 - 300 per quarter by the previous contractor, suggesting many units are not being decanted.

I also refer again to **Attachment “M”**, specifically the email response from **Patrick McInerney Director, Ozone and Synthetic Gas Team regarding the illegal works of Lester Air conditioning and Arctick’s 2IC’s failure to investigate**

Lester air conditionings were holders of a “Trainee Licence” only and there were allegations that Mr Lester’s “Supervisor” was not actually in the country. Reclaim Our Trade believes

there was a cover up by George Thompson regarding the licensing of Lester Air Conditioning, unfortunately Reclaim Our Trade do not have the resources to investigate this further.

Electrical Safety Office

In June of 2008, Matthew Coates began contacting the ESO and other departments to establish the licensing as it applies to electrical contractors carrying out the installation of air conditioning systems. Eight months later, in approximately January 2009 Mr Coates became a target of the ESO.

Attachment "R" displays the reversal of a previously imposed fine (Original fine January 2009) and the ensuing court cases that followed. Mr Coates determination to fight the harassment and unfair fines saw the courts set a possible precedent. In my many discussions with RAC tradespeople there has been a common theme; that of the ESO as "bulldogs" tenacious in their determination to intimidate RAC tradespeople; many have allegedly paid fines that they have felt were incorrect as a direct result of their fear of the ESO. It has been said by many RAC tradespeople that it is better to pay the fine, than challenge the ESO and risk losing your business.

I have personally found the ESO a significantly challenging organisation to deal with; in fact, its recalcitrance extends to the provision of misinformation in response to genuine enquiries.

As the wife of an RAC mechanic seeking to achieve a qualification in Electrical Cert III, I was given misleading advice by the ESO that even as a trade qualified RAC person, my husband would need to undertake a four year full time electrical apprenticeship to obtain his Certificate III

This theme continues even now, although the electrical industry is aware of the requirement to provide RPL. **Attachment "R" also includes a brief submitted to Cherie Dalley, Electrical Council of Australia and a response by the ESO. The response is contrary to the information provided initially by the ESO in preparation of the brief.**

The electrical industry has blacklisted RAC tradespeople. This is evidenced by: its refusal to provide RPL to RAC tradespeople and its failure to provide flexible delivery to RAC tradespeople to allow up skilling.

RAC tradespeople have had their trade taken away by the introduction of Cert 11 Arctick licences. Many have had no choice but to close their businesses, or return to salaried employment. At no time has the electrical industry expressed its willingness to retain skilled RAC tradespeople; it has in fact been the complete opposite and it has been conducted strategically.

1. Firstly with the introduction of the Electrical Safety Act 2002, introduced by Gordon Nuttall, former Minister for Industrial Relations. Mr Nuttall was handed documents at an Ipswich train station prior to introducing the new legislation by representatives within the RAC industry. I submit as evidence **Attachment "S" Documentation handed directly to Mr Nuttall and a response letter from his department acknowledging receipt of the documentation.** I note the next **Attachment "T"** suggest a generous amount of deceit by the Head of Restricted Electrical Licensing and early signs of their deliberate efforts to keep RAC industry representatives in the dark. It is only in hindsight that RAC industry representatives would realise they were given the illusion of participating but that their concerns would be thrown to the curbside. The definition of an air conditioning system now defined as an "Electrical

Appliance” within the legislation has been abused by electrical contractors and supported by government. There is a systematic failure to acknowledge the legislation applies ONLY to electrical wiring it does not apply to the “Refrigerated Vessel”.

2. To further entrench their claim to split system installations in 2002 a CCT case initiated by the BSA was found in favour of the electrician. Reclaim Our Trade believes there was little if any information submitted by the BSA to explain the difference between electrical wiring and the actual air conditioning system (Refrigeration Vessel). Reclaim Our Trade have not been able to establish whether the ruling member’s decision was in favour of the electrician as a result of relevant technical qualifications not being submitted. **Attachment “U” CCT Ruling. Attachment “V” precedent set in 1986 ensuring plumbers do not carry out RAC works in the State of Queensland.** In Victoria it is the Plumber that must sign off on ducted works irrespective of plumbers having no background in air conditioning.
3. Delivery of flexible training to meet the RAC industry’s need to retain their employment prospective – up skilling to Cert III Electrotechnology.

RTO Electrical Licence Training has to date been the only RTO willing to meet industry needs for up skilling. An initial meeting with Mr & Mrs Hensel, proprietors of the RTO included my warning to them of being targeted and consequently shut down by the Electrical industry. Mr & Mrs Hensel were naively confident, as what transpired was a travesty to the application of Natural Justice. The following I write from my own experiences, conversations and that of my husband,

Audit of Electrical Licence Training,

The Queensland Training Ombudsman attended the final meeting on 23/09/2011. Initial meeting between Electrical Licence Training and Workplace Health & Safety, ESO and Education Qld (EQ) on 14/09/2011.

It was also later determined by Mr Hensel that the outcome of the audit was predetermined as witnesses came forward stating they had been told as early as two weeks previously by Government representatives "We are out to shut them down", . On 26/09/2011 Electrical Licence Training notified employers and apprentices that "*this organisation is no longer permitted to train electrical apprentices under the user choice (government funded) system*". This was relayed to Mr Hensel via telephone and the only reason given was several apprentices when contacted said they have no electrical supervision. Further harassment by the ESO was evidenced by advice given to Mr Hensel that the ESO would not recognise any competencies awarded by his RTO.

Allegations have been coming to light of EQ Training department representatives grilling apprentices for as long as two hours and misrepresenting the apprentices’ and employers’ rights and responsibilities. Suggestions of "*Find another RTO as we are shutting them down*" prior to completing an assessment of an audit, asking apprentices if they have an electrician within their business as opposed to "*Do you have an electrical supervisor for supervising and assessing all your electrical competencies within your electrical apprenticeship?*"

Mr Hensel stated "*The ESO advised I could not RPL RAC tradespeople*". Having spoken with a number of people affected by the above I am left with the knowledge that my warning to the Hensels was most definitely an accurate assessment of the electrical industry.

Energy Skills Qld is a representative of the electrical industry in QLD and its suitability is questionable with regard to the lack of natural justice afforded to the RTO.

No other RTO has been able to provide the flexible delivery needed and as a result 38 apprentices will now have their apprenticeships cancelled.

4. In Victoria, Energy Safe Victoria has implemented a new licensing requirement for restricted licence holders, effectively withdrawing existing competencies and requiring further studies, **Attachment "W" Restricted Electrical Workers Licence**. Victorian members of Reclaim Our Trade have argued that they have not been advised of this major change of policy, until they attempt to renew their restricted electrical licence. The implications throughout the industry are significant with one company at risk of not being able to ensure their RAC tradespeople will be able to continue carrying out diagnostics and repairs, a significant aspect of the RAC tradesperson's role. There are now concerns of Qld's ESO implementing the above; thereby preventing RAC tradespersons from completing their competency based tasks and contributing to further increasing skills shortages within the RAC industry.

Workplace Health & Safety

The *Workplace Health & Safety Act 1995* has not been applied to electrical contractors installing air conditioning systems in QLD.

Electrical contractors are not technically competent to carry out the works, including their illegal practice of servicing and repairing air conditioners. Breaches of the Act are significant and include unsafe work practices, placing consumers and other tradespeople at risk of serious injury/death.

Attachment "L" Nursing home incident-The system is in essence a humidifier, as the system is "oversized" the elderly resident will suffer at minimum headaches as the unit will draw moisture from the body.

The "slap in a split" mentality generated by electricians here in Qld has ensured the failure to comply with Australian Standards by ignoring the requirements for fresh air makeup. The Cert II curriculum does not include this..

Attachment "L" includes the **electricians exceeding** example where fresh air make up was not accounted for when "slapping splits" into commercial buildings. As the electrical industry has taken over a large portion of air conditioner installations, including those in commercial environments, it is anticipated that in a few years simple influenza symptoms will be generated far more quickly within the commercial sector. Further comments are included in **Attachment "J" submission to the QBSA** under Public Safety

I was recently advised that in Mossman Qld, plumbers are mixing R410a with R22 refrigerant, replacing the indoor and outdoor units but using the existing R22 pipework, a practice that is unacceptable in the industry as the refrigerants are not compatible.

It is also relevant to note that Plumbers as mentioned in **Attachment "V"** are not legally allowed to carry out a/c installations in QLD.

The following is an excerpt from on RAC tradespersons' personal experience, submitted this year as a complaint to both the Qld Training Ombudsman and the Commonwealth Ombudsman:

"I am now competing with electricians in almost all aspects of my trade and am concerned about my safety also having experienced some dangerous electrical situations. 1 example was a blood fridge I refused to work on if the company allowed another electrician to work on it. The wiring was a mess, dangerous and had to be rewired for safety. I argue that electricians are not technically competent to carry out my trade works and have not only been promoted by government and retailers as competent to carry out air conditioning installations but are also free to carry out works outside their scope of arctick licences - service and repairs on any refrigeration and air conditioning systems."

Incorrect reporting by WH&S QLD includes attributing blame to RAC tradespeople in electrical incidents, there are two cases the electrical industry falsely attribute blame to the RAC tradespeople and argue in their defence which begs reinvestigating;

1. Southbank incident, RAC Tradesperson requested electrical supervisor to isolate and "Make Safe" the system, the electrical person isolated a part of the system only as they did not have full understanding of the total system. The only person who SHOULD declare the system "SAFE" is the person trained on the RAC system. The result was death by electrocution of the RAC Tradesperson with the blame incorrectly attributed to the Rac tradesperson. The incident occurred 10-15 years ago, unfortunately ROT do not have the recourses to access the OH&S Department's report.
2. In 2002 a carrier split system was found with a 3 pin plug active, the ESO blamed the RAC tradesperson even though he left the system with no power and electrician came later and wired up resulting in a live 3 pin plug. No injury was sustained however it is often brought up in discussions by the ESO and was brought up by Veronica Mauri, Head of Restricted Electrical Licensing QLD at an AIRHA conference.

It was the ESO that undertook an assessment and declared installers of insulation at fault with no mention made of the incompetent wiring "to the wiring code" within the roof space. The insulation debacle resulted from a number of deaths throughout Qld. Thermal insulation is not taught.

Attachment "X" Fatal Explosions highlights how dangerous refrigerants are; Hychill-50 mentioned in the attachment is favoured over traditional refrigerants as it is more environmentally friendly. It is used in air conditioners as well and being introduced here in Australia. In the hands of the non-technically competent, this refrigerant has time bomb potential, in both the home and in business environments

Attachment "Y" RAC Flowchart provides insight into many issues addressed within this submission and to date has been ignored by State and Federal Government Departments. Emails containing most of this submission's information have met with little or no response.

Consumer Protection

The following is an excerpt from **Attachment “J” submission to the QBSA**

“There is no consumer protection within the existing framework of Cert 2 holders, including electrical contractors, as the works are outside their electrical contractors licence. (QBSA) Queensland Building Services Authority which enforces Refrigeration technicians to be QBSA licensed does not offer consumer protection unless the installation is part of a larger building project such as a new home. QBSA licensing is required for works over the value of \$3,300 yet fails to provide any service to the licence holder or the consumer, therefore enforcing a licensing regime for no purpose and charging Refrigeration Technicians for the privilege, Furthermore;

The consumer suffers a continuous financial loss due to any inefficient piece of RAC equipment as they have no means to validate that financial loss as it appears on their electricity bill. As the inefficiency of the equipment increases so too does the financial cost creep up. As long as the consumer feels cool or the food does not spoil they are blissfully unaware to the “Rip Off”. Indeed it pays electrical production industry to encourage this continuous wastage as it is “Money in their pockets” for nothing.

The consumer also suffers from the issue of food poisoning which becomes rampant during summer months due to poorly designed, maintained and operating refrigeration plant which is a major factor in food poisoning, i.e.;

- a) Garibaldi Instance—SA production of Salami; and*
- b) Qantas flight Cairns to Osaka—Chocolate pudding*

The failure of the uncontrolled introduction of the Cert 2 licence by DEHWA has ensured the continuation of environmental issues rather than reducing those emissions, for the following reasons;

- a) The Cert II Licenced worker tend to assume they have an open ticket to undertake any form of RAC work (particularly true of electrical tradespeople in Queensland), as the Department has not enforced the limiting nature of the licence. It further has not identified to the consumer the limited nature of that licence”, resulting in limited trained people undertaking work types not covered within the training package, increasing the risk of higher emissions and increased carbon footprints.
- b)

The Cert II course package does not include training in understanding the performance criteria, methods of testing for those criteria nor teaching of achieving equipment efficiency. The result is high potential for both past installations and future units to be installed to have an adverse effect upon the environment and increase our carbon footprint.

One common theme relayed by RAC tradespeople is the misdiagnosis of RAC systems, untrained in diagnostics Cert 11 installers are not recognising the functions of a simple capacitor and the end result is that customers are lodging insurance claims in excess of \$2,000 for a problem that would only cost the customer less than \$200. Insurance Council of Australia have been made aware of this problem, to date Reclaim Our Trade have never received a response.

Environment

Carbon Emissions

While the Prime Minister of Australia currently promotes her Government's intention to focus on energy efficiency. there is a clear indication of false information relating to the Refrigeration and Air Conditioning industry. Here in QLD, unions benefiting from accessing the Cert II have made significant contributions to the Qld Labour party's election campaign funds and a number of past union members are sitting members at State and Federal levels.

Excerpt from **Attachment "J" submission to the QBSA**

"RAC Specialists are in a unique position to reduce carbon emissions by 5+% - Significantly greater results than the current electrical efficiency campaign.

To achieve significant results it is crucial to establish credible Government support and establish supporting enforceable legislation. Ministers have the responsibility to interpret and fully understand the current implications and the necessary/crucial requirements to reduce carbon emissions.

1. *ALL RAC equipment by Australian law must be energy efficient guaranteed by the manufacturers this works only if:
 - a. *Equipment is wholly manufactured at the engineering premises;*
 - b. *There are performance indices to gauge the finished performance against the designed performance;*
 - c. *The installation is completed by thoroughly trained technicians that understand the system and the methodology to achieve the designed (and accepted by Australian Law) performance.**
2. *FAILURE of the above "1" results in inefficient operation, electrical energy wastage and excessive run time for the equipment hence CARBON FOOTPRINT is excessively high -TOTAL WASTAGE!*
3. *WASTAGE for the customer, public and Australia as a whole is compounded at the power production for wasted electrical power means more has to be produced – EXPANDING THE CARBON FOOTPRINT!*
4. *Simple "feeling" (cold air blowing) does not mean the system is working efficiently and an inefficient system can be multiplying its inefficiency just by continuing to operate!!!!*
5. *Cert III have a full 4 years training on all refrigeration system types (the heart of the Air Conditioning Equipment) therefore have the understanding, knowledge and skill base to achieve the demanded manufacturers efficiency standards in the field!*
6. *Cert II training competencies do not include the system understanding nor does it cover efficiency criteria needed to achieve ACCEPTABLE CARBON EMISSION LEVELS as designed for.*
7. *Cert II training was only for an interim licence for the purposes of installation under supervision of a fully competent person.*

Power Consumption

25% of current power consumption in Queensland (and 40% projected for 2020) is used to cool or heat buildings, with split system air conditioners being a very high contributor to that figure.

Incorrectly sized (undersized/oversized) and/or inefficient systems contribute to this – correctly sized and installed systems and correct advice to the customer about opportunities to keep the house/business cool or warm due to other means (insulation, glazing, shades etc.) would decrease the energy consumption.

- “60% of installs completed by partially trained personnel....approx 5.46mil units
(Margaret Underhay, Racca Irase Qld Inc)
- “15% of installs by DIY or "friends".....no training....approx 1.36mil units”
(Margaret Underhay, Racca Irase Qld Inc)
- “75% installs (6.8million) must be considered dubious in regards to poor performance and that performance increases with ambient temperature increases as systems works harder outside of design parameters.”
(Margaret Underhay, Racca Irase Qld Inc)
- “The refrigerant in modern split-system air conditioners is a potent greenhouse gas. One kilogram of the most common gas, R410a, has the same global warming impact as two tonnes of carbon dioxide – like driving a car for six months” *(www.lookforthetick.com.au)*

For every additional kWh used, there are more greenhouse gas emissions generated by electric utility power plants. This is the indirect effect of global warming refrigerants. The environmental impact of even small changes in chiller energy use has an impact. There is a need to use refrigerants that minimize both Ozone Depleting Potential and Global Warming Potential to address global environmental concerns. If the efficiency of every centrifugal chiller in the world were decreased by only 0.08 kW/ton, power plant-generated greenhouse gas emissions would be reduced by literally billions of pounds. This is an amount equal to removing nearly two million cars from the road each year, or to planting nearly a half billion trees every year.”

The Refrigeration and Air Conditioning Industry Today

The introduction of National Licensing will see a further unnecessary increase in skills shortages to the RAC Trade. **Attachment “Z” the phasing in of national licensing**

The following licence description is in the attachment and is almost identical to Arctick split licences (Cert II), the existing problem in QLD will now become Australia wide with emissions increasing alarmingly; Qld is testimony to this.

Licence Category

Refrigeration and air conditioning work restricted to heat pump and split systems installation

Scope of work

Work associated with the installation and decommissioning of heat pump systems, where a refrigerant connection is required and single-head split system air conditioners of less than 18 kW cooling capacity. This includes the disconnection and reconnection of air conditioning equipment from a water supply other than the disconnection of that equipment from a water supply isolating valve adjacent to a mechanical component of that equipment.

Further concerns are now prevalent that with the introduction of the National Licensing system, that substantial risks will be incurred by school leavers without technical training being able to install air conditioning systems. There is a consistent failure to recognise the many different issues that arise from carrying out these works without adequate technical competencies achieved.

- Earlier in 2011, Frigrite a national RAC company closed its doors, retrenching more than 400 staff. An international company City Refrigeration took over the servicing of Coles supermarkets contributing to the closure.
- Earlier this year, Orford refrigeration manufacturers in Toowoomba QLD closed its doors and retrenched 180 staff
- Small businesses in QLD are continually closing their doors
 1. Joe no longer employs staff, working part time only
 2. Grant and Kim no longer operate their business
 3. Ian closed his business and has joined the Qld Police force

The above are just a few examples of the loss of work and in turn lack of apprenticeship positions available for the RAC industry, which will in the future be exacerbated by the lack of skilled tradespeople available to pass on their skills/knowledge base to new apprentices.

There is little doubt that the introduction of the National licensing system will see skills shortages within the industry increase, combined with the lock out of RAC tradespeople from gaining electrical qualifications, and in cases such as that of Victoria taking away restricted licensing competencies, there can be little doubt the RAC industry will experience a massive skills crisis.

CONCLUSION

In 4 years of researching, talking to industry members and experiencing firsthand the destruction of the Refrigeration and Air Conditioning trade I have come to the conclusion that there has been a very strategic manipulation by peripheral trades to absorb the industry into their own. Sadly, this will come at a high cost of human life.

In compiling the information within this submission there are many RAC tradespeople continuing to hope that common sense and justice will prevail. Undoubtedly, without an unbiased investigation into the claims contained within this submission the RAC trade will disappear. This submission has been designed to encompass the responsibilities relating to each of the organisations listed on the cover page in the hope that each area of concern can be investigated as changing one situation without the other will continue to lead to failure.

I urge investigators to consider the limitations of their scope of authority as shown with limitations of the (*Ozone Protection and Synthetic Greenhouse Gas Management Act 1989*) and Regulation (*Ozone Protection and Synthetic Greenhouse Gas Management Regulations 1995*) that a scope of investigation can limit the investigators to the point that more harm than good is carried out. It is my hope that investigations will be conducted and all investigators will work together, essentially pooling information to ensure a successful outcome.

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Attachments:

- A. a copy of CCN In Focus Investigation and a letter from Mr Brett Wright
- B. The ECAQ President Mr Geoff Baldwin advertising as a qualified RAC serviceperson on the ECAQ website and response letter to Reclaim Our Trade's complaint from Director General DEIR.
- C. Advertising for Cert II courses over duration of 2 days
- D. A mapping comparison.
- E. Refrigeration & air conditioning overview.
- F. Letter from Racca-Irase Qld to the QLD Premier and an article on Stephanie Bugg winning gold.
- G. Correspondence from the Office of Fair Trading, NSW confirming the installation of air conditioning systems must be carried out by a RAC tradesperson, and letters from significant sitting members to Reclaim Our Trade.
- H. Plumber dies resulting from refrigerant pressure in pipes.
- I. BSA Building Works Increase and Fact sheet for split systems
- J. Submission to the QBSA.
- K. Agenda of Meeting between RAC industry representatives, BSA and ESO.
- L. Electricians Exceeding" and "Nursing Home" incidents
- M. Fax submitted to Lester Air conditioning (Electrical Contractor) including photos, customer's email, including an email response from Patrick McInerney Director, Ozone and Synthetic Gas Team regarding the illegal works of Lester Air Conditioning and Arctick's 2IC's failure to investigate.
- N. Advertising of Arctick's original intent
- O. Leaked Arctick emails
- P. Transcript of recordings between George Thompson and Matthew Coates.
- Q. Waste Facilities
- R. ESO Fine and consequential court cases
- S. Documentation handed directly to Mr Nuttall and a response letter from his department acknowledging receipt of the documentation.
- T. Notes relating to conversations between Racca-Irase Secretary and Head of Restricted Electrical Licensing Board – Minutes taken of meeting
- U. CCT Ruling.
- V. Precedent set in 1986 ensuring plumbers do not carry out RAC works in the State of Queensland.
- W. Restricted Electrical Workers Licence
- X. Fatal Explosions
- Y. RAC Flowchart
- Z. The phasing in of national licensing

Reclaim Our Trade - Submission To Ombudsman November 2011

References;

CCN Climate Control News October Issue 2010 Investigation p.14,16,18,20
Electro Training institute (Certificate 11 in Air Conditioning Split Systems)
Director General, Department of Justice and Attorney General
Margaret Underhay, Racca Irase Qld Inc Letter to Premier 6th January 2004
NSW Office of Fair Trading
Member for Forde, Hon, Brett Raguse 24th October 2008
Member for Rockhampton, Hon, Robert Schwarten 20th November 2008
Minister for Education and Training, Minister for Arts, Hon, Rod Welford 10th December 2008
Minister for Environment, Heritage and the Arts, Hon, Peter Garrett 12th December 2008
NRAC National Refrigeration & Air Conditioning Council Ltd
Peter Charles Stratton AND Maton Airconditioning and Refrigeration Pty Ltd and Matthew John Coates
(C/2010/23) - Decision
Peter Charles Stratton AND Maton Airconditioning and Refrigeration Pty Ltd and Matthew John Coates (C/2010/23) - Decision No 2
QLD Electrical Licensing Board July 15 2002
Qld Building Tribunal (Korte Investments Pty Ltd v QBSA2002)
Conciliation and Arbitration Act 1904 (Barclay Brothers Limited And The Plumbers and Gasfitters Employees' Union of Australia The Amalgamated Metal Workers' Union) (C No. 6606 of 1986)
ESV Energy Safe Victoria (Restricted Electrical Workers Licence)
Ozone Protection and Synthetic Greenhouse Gas Management Act 1989
Ozone Protection and Synthetic Greenhouse Gas Management Regulations 1995
Electrical Safety Act Qld 2002
National Occupational Licensing System (Refrigeration and Air Conditioning Mechanics Interim Advisory Committee Communiqué)

Websites;

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<http://www.mechanicalebook.com>
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