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15 November 2015

Ozone and Synthetic Greenhouse Gas Act Review  
Department of the Environment  
GPO Box 787  
CANBERRA ACT 2601

Dear Sir/Madam

I am pleased to submit the Australian Refrigeration Mechanics Association's (ARMA) response to the Ozone and Synthetic Greenhouse Gas Act Review Options Paper (the Paper).

ARMA is a newly established industry representative organisation, with membership ranging from independent operators, to employees of large companies, and industry training specialists. We are focused on achieving appropriate training and full licensing for refrigeration and air conditioning tradespeople, as a mechanism to achieve national recognition as a technically-based trade.

Accordingly, our response relates primarily to Sections 7.1, 7.5 of the Paper, reflecting our members' concerns about licensing and compliance. Our response also provides our members' grass-roots feedback on the introduction of natural refrigerants across Australia.

We appreciate the opportunity to take part in this important review and as a representative industry association would also appreciate the opportunity to be included in future governmental reference groups, working parties and advisory bodies related to the refrigeration and air-conditioning industry.

Sincerely

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President

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# **RESPONSE TO THE REVIEW OF THE OZONE PROTECTION AND SYNTHETIC GREENHOUSE GAS MANAGEMENT PROGRAMME**

## **SUMMARY**

Of the four reform options presented in the Paper, ARMA believes Option 4 - High Reform option will have the optimal net impact for the environment, the industry and consumers. However, ARMA also acknowledges that this positive impact could be offset by this Option's estimated cost of \$482 million and associated regulatory burdens.

Accordingly, ARMA expresses its support for Option 3 – Mid-High Reform as a balanced and progressive option, which does provide a degree of reform to benefit industry, the environment and consumers, within a practical fiscal structure.

## **REVIEW OBJECTIVE 1:**

*Identify opportunities to reduce emissions of ozone depleting substances and synthetic greenhouse gases in line with international efforts.*

### **ARMA RESPONSE:**

ARMA commends and is committed to supporting the Federal Government's commitment to compliance with the Montreal and Kyoto Protocols.

However, ARMA must register its disagreement with the Paper's claim that:

*"The storage, use and disposal of ozone depleting substances and synthetic greenhouse gases in major industries is restricted to businesses and individuals who can demonstrate that they have the skills and infrastructure to use and manage these gases in a manner that minimises emissions."*

The reason for ARMA's disagreement with this statement is that currently, fast-track Certificate II refrigeration and air conditioning licences are approved and issued following completion of courses which can take as little as eight hours.

As background, the Certificate II course was originally designed in South Australia for the purpose of addressing skills shortages within the local industry. IT was designed for those with 4+ years' experience in the installation of split system air conditioners, included a rigorous RPL process to ensure technical competencies were achieved, required an average 400 hours to completion the qualification and holders of the qualification were able to work only under the supervision of trade qualified refrigeration and air conditioning tradespeople.

The erosion of the qualification over the years has led to the current situation where such licence holders have minimal knowledge of the environmental impact of natural vs synthetic refrigerants and the minimisation of emissions, in comparison with refrigeration and air conditioning mechanics who hold legitimate trade papers, gained over four years of specialist training.

In fact, our members advise of feedback from customers that many of these fast-track licence holders are unable to answer the most basic questions about the environmental impact of synthetic refrigerants, leading to a grass-roots perception that despite its claims to leadership in the fight against global warming, the government is merely pushing through licences without requiring licence holders to demonstrate their understanding of the environmental impact of their work.

Not only is the government rapidly losing credibility; of more concern to ARMA is the flow on loss of credibility suffered by specialist, trade-qualified refrigeration and air-conditioning mechanics, due to the general lack of understanding by the public of Australia's current two-tiered licensing system.

#### **RECOMMENDATION 1:**

ARMA recommends that the government cease the provision of Certificate II refrigeration and air-conditioning licences and restore the requirement that only trade qualified refrigeration and air-conditioning mechanics holding a Certificate III qualification or higher may be issued with a licence.

ARMA believes that this addresses Review Objective 1 – Identify opportunities to reduce emissions of depleting substances and synthetic greenhouse gases in line with international efforts, as well as building the government's credibility in this important environmental area.

The same rationale applies to the granting of transitional licences to employees from a number of occupations outside the refrigeration and air conditioning industry, including but not restricted to the transport, marine, aviation and maritime industries.

ARMA's concerns stem from the fact that these transitional licences do not require any qualifications or competencies to be demonstrated to justify their issue; the only evidence required is a statement from the applicant's employer advising they are competent to undertake the required work.

#### **RECOMMENDATION 2:**

ARMA also believes a further opportunity to address Review Objective 1 lies in recalling existing transitional licences and ceasing the issue of new transitional licenses to applicants outside the refrigeration and air-conditioning industry.

#### **OBJECTIVE 2:**

*Identify opportunities to improve and streamline the operation of the legislation including reducing regulatory compliance costs for business and the community*

As indicated in the Paper, regulation by industry bodies has not been successful, with less than 10% of business and technicians participating, and associated implications including the erosion of emission reductions achieved through the end use system.



Accordingly, ARMA supports the implementation of a nationally recognised technical licencing and regulation system for refrigeration and air-conditioning mechanics, with licences only issued to trade-qualified operators who have completed a full apprenticeship.

Not only would this protect the general public from fast-track operators providing sub-standard work, it would also provide a consistent workplace health and safety environment across the industry, and help avoid the injuries and accidental deaths that result from inadequately trained operators attempting to undertake highly skilled work.

**RECOMMENDATION 3:**

ARMA recommends the implementation of a nationally recognised technical licencing and regulation system for refrigeration and air-conditioning mechanics, with licencing restricted to those who hold a Certificate III qualification or higher, in conjunction with completion of a full apprenticeship.

ARMA supports a whole of industry approach to compliance reporting and enforcement, with government taking an oversight, rather than investigative role.

**RECOMMENDATION 4:**

ARMA recommends the proposed national licensing body establish a self-monitoring system of accounting for controlled substances which would direct areas in which training and education need to be applied to ensure compliance with regulations.

**RECOMMENDATION 5:**

ARMA also recommends that in the interest of public safety and in line with the government's commitment to reduce emissions of ozone depleting substances, the ability to purchase refrigerants be restricted to trade qualified refrigeration and air-conditioning mechanics holding a Certificate III qualification or higher, and that ongoing monitoring is undertaken of seller and purchaser compliance with this restriction.

ARMA is aware of broad-based industry concerns about the safety of operators and consumers when natural refrigerants are used as replacement for ODS and SGS. We are committed to working with industry bodies in consultation with all stakeholders to provide upskilling where required and access to HVACR specialists, as well as addressing OH&S issues, for all nationally licensed trade members.

As natural refrigerants become more prevalent, ARMA believes that consumers will embrace them with confidence following the delivery of education about their benefits to both government and trade qualified technicians.

**RECOMMENDATION 6:**

Accordingly, ARMA recommends the inclusion of all refrigerants in the legislation and associated regulations and policy instruments.