



## **Review of Australia's mutual recognition schemes for workers**

### **Consultation Paper**

06 May 2026

On 5 May 2026, the Federal Government opened consultation on the interim findings of the review into Australia's Mutual Recognition Schemes for workers. This follows the announcement made by the Assistant Minister for Productivity Andrew Leigh, alongside Minister's Giles and Rishworth in February 2026, and an initial round of consultation supported by a Call for Submissions paper, in March and April.

The review has been led by the National Competition Council (NCC) and focuses on the operation and effectiveness of Australia's mutual recognition regimes. The NCC will report on a number of issues in the schemes, including how they promote labour mobility and workforce flexibility.

It is the first review that has been undertaken by the NCC in nearly 20 years, and reflects the Government's aims to revitalise the body, and focus on enhancing productivity in the economy. The evaluation is part of the 2020 Intergovernmental Agreement on Automatic Mutual Recognition and is part of the progression towards the single national market reforms agreed to by Federal and State Treasurers in 2025.

### **Scope of the Review**

The Review considers the impact, effectiveness and implementation of current mutual recognition arrangements as they apply to licensed workers. This includes the experience of workers navigating the scheme, and the opportunities for new technologies or processes to help reduce costs and improve outcomes.

The review will consider all of Australia's schemes, including the mutual recognition (MR) and automatic mutual recognition (AMR) schemes, and will consider all licensed occupations. This includes the largest users of the schemes, including electrical, security, plumbing, building and transport workers.

## The Terms of Reference

1. The impact and effectiveness of current mutual recognition schemes, including:
  - a. The extent to which they have improved labour mobility in participating jurisdictions.
  - b. Their economic effects, including on participation, addressing skills shortages and productivity.
  - c. The extent to which they have managed worker safety and consumer protection risks; and
  - d. Identifying the sectors where these schemes have had the most significant effects.
2. The implementation and alignment of current mutual recognition schemes, including:
  - a. Variations in implementation across jurisdictions, such as exemptions, delays or inconsistencies in recognition.
  - b. The rationale for these variations, and whether they are proportionate to risk; and
  - c. The extent to which laws and standards are harmonised across jurisdictions, and areas where misalignment creates barriers to labour mobility.
3. The experience of workers navigating the current mutual recognition schemes, including:
  - a. The effectiveness of communication to workers regarding eligibility, processes, and requirements under existing mutual recognition schemes.
  - b. The impact of notification requirements on workers; and
  - c. The role of registration authorities in supporting cross-border mobility.
4. Opportunities to strengthen and streamline licensing arrangements, including:
  - a. Improving the consistency and efficiency of mutual recognition processes across jurisdictions; and
  - b. Technologies, systems and/or processes that can reduce costs and improve safety, quality and employment outcomes.
5. The potential for a national licensing framework to complement or replace mutual recognition, particularly where these arrangements are not working effectively, and are likely to increase labour mobility and remove unnecessary costs for participants.

## Interim Findings

### Impact and Effectiveness

1. Australia's mutual recognition schemes are working well for some occupations and have provided some benefits to workers across a range of industries.
2. While AMR has the potential to deliver significant mobility benefits, its effectiveness is limited by occupational exemptions and Queensland's lack of participation in the scheme.
3. Mutual recognition schemes can allow for 'jurisdiction hopping', where workers obtain their licence in the jurisdiction with the least stringent entry requirements or fees, before using the schemes to undertake work in a different jurisdiction.
4. The traditional MR scheme can allow for 'licence uplifting', where workers use the scheme to obtain licences that allow a larger scope of work compared to their home state licence.

### Implementation and Alignment

5. Mutual recognition schemes work best where there is a high level of regulatory alignment between jurisdictions.
6. Application of local laws can undermine the effectiveness of mutual recognition.
7. Information sharing between regulators is fragmented and heavily reliant on manual processes.
8. Regulators, employers and workers can face difficulty when attempting to determine the equivalence of licences under the MR scheme, and the Ministerial Declarations outlining equivalent licences are out of date.

### Experience of Workers

9. Information provided to workers and employers using mutual recognition schemes can be fragmented and difficult to navigate, increasing compliance costs.
10. Data limitations constrain evidence-based regulation and policy reform.
11. There is significant potential for technology to improve information sharing to licensees and between regulators, with stakeholders expressing strong support for digital licensing and the introduction of a national licensing register.
12. Stronger institutional arrangements would encourage national regulatory consistency and support enduring reform.
13. Concerns about training quality and fraudulently obtained credentials cannot be addressed through mutual recognition schemes alone.

### The Potential for a National Licensing Framework

14. National licensing may be desirable for some occupations, particularly if they comprise a large and mobile workforce, are subject to AMR exemptions, involve cross border work that occurs remotely and/or there is tripartite support for a national scheme. In such cases, there may be benefits in taking a graduated approach that builds towards national licensing in a sequential manner.

### Consultation on the Findings

The NCC is seeking feedback on the interim findings of the review through 18 consultation questions. The consultation will close on 22 May 2026. Responses can be submitted through Treasury's consultation website. The NCC is seeking feedback from licensed workers, businesses, consumers, professional bodies, industry groups and unions.

### Further Information

The Consultation is available [here](#).

The Consultation paper can be found [here](#).

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