

Jeff Cefai  
Essential Services Commission  
Level 37, 2 Lonsdale Street  
Melbourne VIC 3000

8<sup>th</sup> January 2019

**TRAINING AND LICENSING REQUIREMENTS FOR ACTIVITY 21A:**

Dear Jeff

Thank you to the ESC for the opportunity to submit a response to the Training and Licensing requirements for 21A. Ozwide have taken great interest in this activity due to our future involvement and the potential risks raised in previous submissions to the ESC. The longevity and integrity of the VEU is paramount to its success and to the success of our business.

Again, Ozwide commend the ESC on the identification of a potentially serious issues and taking steps to manage risk before an activity has been implemented. The overwhelming feedback received from industry has been extremely positive and aligned with a sense of relief that the integrity of the VEU program (and its participants) and the safety of all concerned (installers, householders etc) is rightly prioritised over the commercial interests of a small subset of AP's.

I will, however, express disappointment that the ESC sees fit to consider allowing unqualified and unlicensed persons to retrofit 15 million lights in Victorian homes. Ozwide are particularly concerned that one of the main reasons validating this decision was due to "imposing disproportionate cost on the industry if implemented" which appears to prioritise cost above the safety of installers and householders, which is reminiscent of another insulation style program and subsequent outcome. Like the HIP program we see a significant issue around installers being correctly insured. In most cases installers work on a per globe rate as contractors (or just via an ABN) and the feedback provided by the Insurance Industry is that these installers will not have the adequate cover for themselves or the properties they are working in. The blanket insurance provided by the AP certainly does not cover these installers leaving a large gap in liability if damage or injury was to occur. It also raises concerns around Pyramid contracting and the rights/obligations of workers.

As previously noted, I believe Ozwide are qualified to discuss this topic given our commitment to implementing best practice around the safety of our staff, our clients and the broader community. Significant investment has been made to continually improve our safety policies and procedures, which are accredited to the ISO 4801 and ASNZ9001 international standards. We are proud of our success in navigating this sector with an impeccable safety record, evidenced by no serious incidents occurring over the last decade despite regularly operating in "high-risk" environments. Please find below Ozwide's feedback in relation to the consultation points raised along with some additional points relating to safety risks under 21A.

Ozwide Responses:

1. **The ongoing mandatory safety training (MST) framework we propose to implement to manage safety risks for activity 21A**

Ozwide Group does not support the use of retrofitters that have achieved the 2311VIC course accreditation or a short-course enhanced to include specific training around CFL's. No short-course and especially not the one listed above, due to the points outlined below, compares to the training required for electricians to work in these high-risk environments. After reviewing the current course provided and speaking with installers that have completed the course we raise the below serious concerns that outline a poor quality of training and a lack of specific training around light retrofitting and CFLs. Below are the key issues

- The course was last updated in 2015. There are surely improvements to safety/installation methods over the last 3 years. CFL retrofit is a new activity
- The 2311VIC course currently states that it runs for 30 hrs. We have had feedback from participants and the training company itself that this can be condensed to 2 days. And even down to 1 day if you have a sign off from your manager that you have had field experience.
- There is no specific guidance around safety equipment, simply stating the fact "you need to use/wear it". Use of ladders was also a concern as there is limited training around heights provided and no specific outlines around ladders to make sure they are electrically safe.

The above points highlight the current gaps in the training and the lack of practical training given during these courses.

If the ESC were to implement the additional training, we would implore the below additional points are addressed during the training:

- Contractor set up around insurances required, Work cover and entitlements
- Practical training on the removal and replacement of a CFL
- The dangers of Mercury so installers are aware and can also discuss with homeowners
- Training on the correct disposal of the CFL
- What steps are taken once there is an issue that requires electrical isolation or repair
- Correct use of PPE and other safety equipment
- Working at heights (many ceilings are over 2m)
- Correct implementation and use of SWMS and JSA's

2. **The transition arrangements which should be adopted that best manage safety risks after we have made a decision following consultation and prior to the implementation of the proposed ongoing new MST framework**

If the ESC sees fit to allow unlicensed and unqualified persons to perform installations, Ozwide strongly suggests the only adequate transition approach will be to maintain the requirement of electricians until the new course is developed, approved and implemented. No other options can be safely considered, that may

potentially jeopardise the integrity of the program and potentially place the responsibility into the hands of APs.

We see the use of electricians as a complement to other VEU activities that can be completed while they are in the home. 21B & C along with heat pumps make the use of electricians a practical choice.

**Further feedback in relation to safety risks for Activity 21A:**

**a. *Electrician availability***

We have had feedback that some AP's are struggling to source electricians. Being electricians and active in the industry the feedback we are receiving is that APs are trying to take short cuts by asking for rate reductions and in some cases electricians have been asked to use apprentices instead of qualified installers to reduce costs. The above is the reason some electricians are reluctant to work with these APs under 21A

**b. *Installer Insurance***

Research and feedback from insurers is that under a contractor or aggregation model installers will not be correctly insured and the insurance provided by APs will not adequately cover the installer or homeowner. We request the ESC seek legal clarification on this matter and also around installers working on a "per light" model that pyramid contracting laws are not contravened.

**c. *Use of SWMS and JSA's***

Currently we understand the completion of JSA's or SWMS is not enforced or required. We request the ESC review current compliance requirements and audit actions around this area to make sure the correct processes are being followed.

**d. *Increased field audits from the ESC including 100% audits for the 1st batch installed by each accredited AP***

These audits need to include a site visit to jobs at the time of installation to ensure installers are following the correct processes claimed in their applications.

**e. *Recycling for 21A***

Given the mercury content of these lamps we agree it is vitally important to ensure correct and safe recycling takes place. We believe only nominated and ESC approved recycling companies should be used.

It is unfortunate that that there may be adverse commercial implications for AP's who prematurely interpreted early iterations of the activity guidelines, however the integrity of the program must take precedence over an aggressive minority. Many millions of dollars and years of effort have been invested to develop reputable, sustainable business models that depend upon a program that exhibits similar characteristics. Remediation to damage after the fact is very hard to successfully execute, and we would implore the ESC to consider the long-term viability of the program when weighing up these safety and training requirements.

Ozwide looks forward to continuing our longstanding involvement within the VEU program in the future across current and future activities. We are committed to supporting the program and ensuring its integrity remains intact, hence our obligation to formally address the situation that we – and you, it must be said – currently face. If you wish to discuss this matter in greater detail, please do not hesitate to contact me directly on 0420969002.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Mark Ploenges', with a stylized, sweeping flourish at the end.

Mark Ploenges  
Director