

## Electrical leaders unite to discuss green challenges

Connection Magazines has hosted the largest ever Electrical Industry Leaders Forum at the National Maritime Museum Sydney, in May. Attended by more than 130 industry representatives including contractors, suppliers and manufacturers, the forum examined the many challenges and opportunities facing the sector, with an overriding theme of green energy and sustainability.

According to Connection Magazines publisher Jeff Patchell in his opening address, the year 2009 is, “an interesting time for industry.”

“This is a year of big changes, with energy supply and demand under scrutiny and a raft of government initiatives like the imminent retail ban on incandescent globes – all set in the context of global financial uncertainty.”

### Housing state of play

HIA’s Ben Phillips began the day’s presentations with a succinct overview of the current global financial crisis and its implications for the local economy. Ben works on housing policy, economic analysis and modelling. He noted that “a recession’s a fair call,” with unemployment on the rise, negative growth and most sectors heading backwards.

Ben outlined how Australia’s fall will be cushioned by good growth in previous years and cautiously backed suggestions made by the Australian Government in its recent budget that growth would pick up again in 2010-11.

Ben pointed to other recession indicators, such as the availability of finance and slowing commodities, with the markets spooked and banks reducing lending.

In the face of this, the government has adopted two approaches – the ‘cash splash’ and longer term infrastructure spending, bringing forward planned investment to stimulate the economy. He noted that the first is a ‘sugar fix’, but the latter is likely to bring longer-term benefits.

In terms of the building sector, Ben noted that approvals should improve in the next few quarters, with new housing finance on the increase. Ben emphasised that the recovery of the housing industry was essential to economic recovery.

### Green research

Graeme Phillipson of Connection Research presented the results of a survey of more than 3,400 householders on energy usage, consumer adoption of technology and community ‘green’ attitudes. He noted the field work was carried out in 2008 and the report released in February 2009.

In compiling his survey results Graeme included extensive demographic cross-tabulations to allow analysis by age, income, postcode etc. His findings indicated that there is little difference in attitude to energy consumption between high and low income earners.

One of his most important findings, as far as electrical contractors are concerned, is that people are very green, across the board, regardless of political persuasion, position or income. However, he said the research showed only 34 percent of people would look to their electrical contractor for information on types of energy conservation.

Graeme’s research highlighted a significant market opportunity for the electrical contractor to act as an energy management advisor to consumers. Many people are not familiar with various energy rebate programs, loans or subsidies, and there is an opportunity to tell them about these schemes and to assist them in participating.

Almost half of respondents said they get information and advice on energy conservation from television and radio, and just over half seek this information from the Internet. Approximately 48 percent said their next most often used source of information was their utility supplier.



A panel of industry experts including Clipsal Australia executive general manager Damien Cummins, James Hill of JES Electrical, NECA president John Robinson, Middys director Anton Middendorp, and B&R Enclosures managing director Ken Bridges, discussed current issues.

There are plenty of opportunities at this time of change, and saving energy is a win-win situation for consumers as it saves them money too. In fact, the knowledge that good energy management will save consumers money was one of the biggest motivating factors, with 63 percent saying this factor is very important or important, along with ‘doing the right thing’.

### Other interesting findings were that:

- Energy star ratings appear to be very important to the public with two thirds of people saying they use them.
- However 32 percent said they had not had a noticeable reduction in energy after purchasing an energy star rated product and only 28 percent noted a small reduction.
- 62 percent of respondents believe they are doing enough to help conserve energy resources, but overwhelmingly believe society as a whole is not doing enough.
- 87 percent were interested or very interested in solar power and 81 percent were interested or very interested in wind power.
- Types of water heaters in households were largely electric storage off-peak (35 percent) followed by gas storage (20 percent), with the age of water heaters predominantly one to five years old.
- Price is dominant in selecting a utility – at this stage people don’t choose a utility for its green reputation.
- Energy sources are still largely (98%) mains electricity – other sources are limited in use.
- There has been a considerable growth in electronic devices around home – DVD players, computers, TVs, laptops, games consoles, set top boxes, with 50% of homes in Australia containing a flat panel TV, and an average of 2.6 TVs per household.
- Computers are almost universal now. If people don’t have them it’s because they don’t want one, not because they can’t afford them.

### Industry perspectives

The next speaker of the morning session was Dr Peter Seebacher of AusEng, whose presentation focused on the relation between good energy management and a healthy economy.

He looked at the links between economic prosperity and electrical technology and the practical opportunities as they are emerging, with an emphasis on the residential sector.

Peter pointed out that technology contributes to a prosperous society – to a point. As a society becomes more sophisticated it takes a much wider view of the issues and the opportunities increase.

Peter reinforced the need for electrical contractors to participate in energy management opportunities by ensuring that staff are well-trained and equipped to deal with changing industry requirements. He also emphasised the importance of keeping abreast of international markets and being flexible to new initiatives.

Following lunch, David Mountseer, Enesolve managing director and energy consultant, outlined the ways in which companies like his could bridge the gap between green consulting and practice.

David outlined the legislative drivers for a changing energy landscape and noted that there are plenty of funding opportunities out there for smart operators, though he warned that the downside was that it could be a complex, rule-ridden, time-consuming process to secure these opportunities.

Lighting Council Australia chief executive officer Bryan Douglas spoke next, about the Australian Government phase-out of inefficient lighting products. Australia is a world leader in this area – since the decision was announced more than 80 countries have followed suit.

Bryan touched on issues such as the effect of poor quality imports on consumer confidence in and uptake of energy efficient globes such as compact fluorescent lights (CFLs).

NECA chief executive officer James Tinslay spoke next, presenting a roadmap for future energy generation and usage patterns in the next few years. James examined ways of greening the industry, and responded to the suggestion of compulsory green training for electricians.

He noted that ‘green’ covers a diverse range of areas in the electrical industry – from lighting to solar and other renewable energies, to data centres and information transport systems right through to installation techniques and amendments to the Building Code of Australia.

James noted that the major issues include the debate about carbon emissions versus energy efficiency, as well as smart metering and targeted pricing and how best to implement them. James also presented his view that nuclear energy should be reviewed by the government as a potential part of the mix of technologies introduced to combat climate change. He finished his presentation with an analysis of the challenges presented by the introduction of EcoSmart Electrician accreditation.

**People are very green, across the board, regardless of political persuasion, position or income.**

One of the most ground-breaking and bold projects was presented to the audience by Evan Thornley, who presented a model for infrastructure for electric cars. The cars themselves have long been a focus of the electric automotive industry – Evan’s company, Better Place, is working on the infrastructure required to recharge these cars.

Following the speakers, a panel of industry experts – consisting of Clipsal Australia executive general manager Damien Cummings, James Hill of JES Electrical, B&R Enclosures managing director Ken Bridges, NECA president John Robinson and Middys director Anton Middendorp – discussed some of the issues facing the industry.

**NECA develops strategy for future labour needs**

NECA has concluded a National Skills Shortage Strategy Workforce Projections Project for the Department of Education, Employment and Workplace Relations to identify and address skills shortages issues in the electrotechnology industry. The project involved extensive research and consultation with 5,500 industry employers, employees, registered training organisations, group training organisations and other key stakeholders. The findings will assist the industry to build a well-skilled and productive workforce able to meet the challenges of the future.

The project consisted of workshops with senior industry executives, results from the NECA Electrical Contractors (Market Monitor) Survey conducted in 2007 and 2008, and an employee survey. It was conducted prior to the effects of the current global financial crisis impacting on the industry and this should be taken into account when reviewing the findings.

**Summary of project findings and recommendations**

A number of critical recommendations have come from the comprehensive industry review. These have been offered for further discussion with governments, stakeholders and related industry organisations. The main findings and recommendations are summarised below.

**Perception of the industry**

Employee perceptions of the industry are very positive and this message should be promulgated widely to recruitment firms and other employment service providers. Marketing and promotional activity around the trades has significantly increased apprenticeship applications and this activity should be maintained.

**School and entry requirements**

The industry is concerned about the quality of vocational education and training offered in schools and the lack of industry involvement in its development. This needs to be rectified urgently with governments at national, state/territory and regional level.

The approach to pre-apprenticeships needs reform with current courses too institutionally based and not always leading to good vocational outcomes. Attainment of acceptable minimum mathematics skills is an on-going problem with young industry applicants and practical school maths lessons for trade-training aspirants need to be developed with relevant education partners.

School-based apprenticeships that are industry-led can provide important pathways for students. Employers need a greater understanding of how these programs can supplement labour when off-the-job training is being undertaken by full-time apprentices.

**Training pathways and funding of training**

The industry needs to develop a clear set of career, and complementary training, pathways that reflect industry needs. Funding for training in the industry should be prioritised annually in accordance with the NECA skills survey.

Strong support remains for Certificate III as the primary entry point for the industry but there need to be alternative entry points at Certificate II level (including for Trades Assistants). States and territories should fund training of industry supported ‘skill sets’, particularly at post-trade levels where many post-apprentices spend less than one hour a month on training and professional development at their own initiative.

A core set of competencies that reflect environmental requirements for the industry and consumers should be developed. Government should continue to provide financial assistance for industry employees to undertake the EcoSmart Electricians program.

## Delivery arrangements

Closer co-operation between the industry and public providers of training is required. The current industry Training Package is too complex and doesn't deliver what the industry wants. TAFEs are heavily relied on to deliver training but the outcomes don't always meet industry standards with many of the current learning methodologies and much of the course content considered out-of-date. Assessment of trainees/apprentices also remains an ongoing problem for employers, adding to the industry's lack of confidence in the national training system and training providers.

There are insufficient teaching and learning materials available to the industry and relevant Industry Skills Councils should develop an industry-wide plan to address this issue. NECA's Star Rating system undertaken through the Institute of Trade Skills Excellence (ITSE) is strongly supported by the industry and should continue through the TVET Australia arrangements. NECA's review of the Star Rating system should be examined by Skills Australia as a priority.

## Taxation

Governments should consider introducing tax incentives for employers to take on apprentices, particularly for small contractors who form the basis of the industry. The removal of payroll tax for apprentices in Victoria should also be considered. Employees who undertake and complete additional training at higher levels (post-trade) should receive adequate tax benefits as an incentive to complete qualifications.

## Incentives

Training funds need to reward companies that are contributing to training rather than going to employers who do not invest in skills development. Additional government assistance should be provided when companies employ adult apprentices at the stipulated EBA rate.

Mentoring schemes drawing on the vast experience of older workers should also be introduced with appropriate government support.

A new approach to supervision rules that are preventing companies from taking on apprentices must be developed.

Innovative systems to encourage apprentices in the pursuit of excellence should be examined in addition to the NECA Apprenticeship Awards. The introduction of graded assessment to encourage achievement should also be examined at a national level. Group training organisations should develop short term employment opportunities for apprentices that may attract relevant state and territory government assistance.

## Labour market changes

In tighter economic conditions, industry should continue to encourage the uptake of apprentices to avoid the potential labour and skill shortage lags experienced in the 1990s. The movement of people from some states has had a large impact on the industry and the world economic situation is further affecting this movement.

## Potential labour pools and disadvantaged clients

Relevant agencies should undertake focused consultation with the industry to determine possible collaborations and best practice models to successfully introduce welfare-to-work clients to the industry. Industry should also work with interested companies in the implementation of the NECA Indigenous Employment and Training strategy.

## Research

Further research should focus on regulation and its inclusion in training programs, training expenditure patterns and value for money propositions, industry activity as it relates to the wider construction industry, and the potential for industry-wide support strategies for migrant workers.

# NECA surveyed - Rexel Listened!

82% of contractors



#1 Rank is:

### Stock Availability

\$4m + of stock across 15,000 products on the shelf.

77% of contractors



#2 Rank is:

### On Time Delivery

2hr delivery guaranteed within 15km radius of warehouse. 20+ vehicles per warehouse.

70% of contractors



#3 Rank is:

### Competitive Pricing

Industry's largest branches in Sydney, Melbourne, Brisbane. Try us!

69%

of contractors

CLIPSAL  
LIVING ELECTRICAL

Schneider  
Electric

HPM

NHP

CABAC  
ONE CALL. ONE DOC. ONE DELIVERY.

OSRAM

#4 Rank is:

### Quality of Products

We only stock the best brands and support Australian based suppliers.

over 45% of contractors

## #6 Rank is: Convenient Locations

Easy freeway access and biggest opening hours:

Mon - Fri: 6am - 6pm & Sat 7am - 4pm



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fax 02 9578 9001



621 Whitehorse Rd,  
Mitcham VIC 3132  
ph 03 8873 1500  
fax 03 8873 1599



1/9 Graystone St,  
Tingalpa QLD 4173  
ph 07 3331 1200  
fax 07 33317225

over 60%

of contractors

#5 Rank is:

### Quality People & Communications

30 + experienced staff incl. experts in electrical, data, cable & lighting.

**REXEL**  
ELECTRICAL SUPPLIES

Warehouse



PAGE  
DATA

## Air conditioning and refrigeration obligations for electrical contractors

Electrical contractors are often involved with installing, commissioning or maintaining refrigeration and air conditioning equipment. They are particularly active in installing smaller, split unit air conditioning systems used in residential premises.

The Australian Refrigeration Council (ARC) has contracts with the Australian Government, which include licensing of individuals who undertake such work. In a recent change to the legislation, this now includes any preparatory work prior to the introduction of a refrigerant into the system.

The ARC is a private company, the Board of which is representative of all industry sectors including the automotive and stationary refrigeration and air conditioning industry. NECA is represented on the Board of ARC. A key responsibility of ARC is granting refrigerant handling licences and refrigeration trading authorisations to individuals and businesses that acquire, possess, handle or dispose of ozone depleting substances or synthetic greenhouse gases as they apply to refrigeration and air conditioning.

Electrical contractors should be aware of their obligations under the regulations and information can be found on the ARC website [www.arctick.org](http://www.arctick.org).

## Excellence Awards show members stand apart from competitors

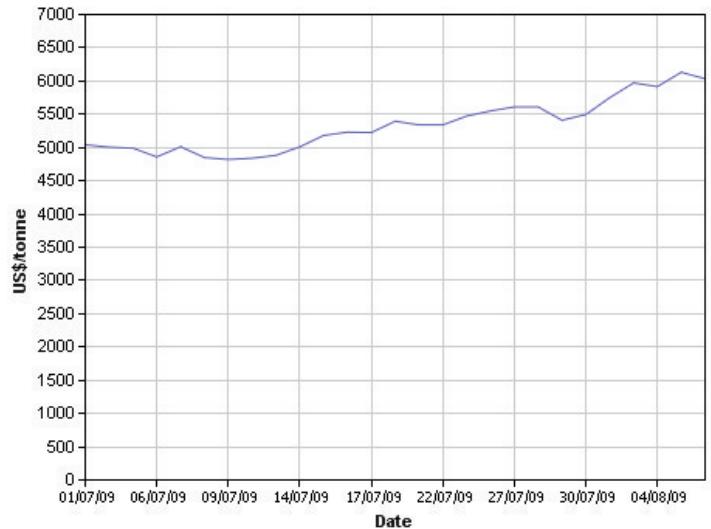
NECA's National Excellence Awards program is rolling out across Australia with the state awards events being held progressively throughout the latter half of this year. A pleasing number of nominations in each state demonstrated that while the economic climate is tough, NECA members are continuing to show they have the technical and business acumen to succeed over the competition, as evidenced by the range of innovative and ground-breaking projects in which they have excelled.

### National Awards dinner tickets now available

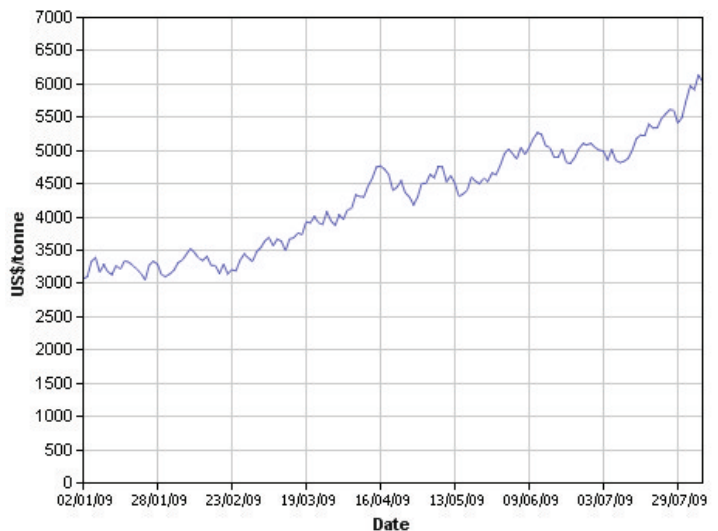
The National Awards gala dinner will be held on Thursday 26 November at the Grand Hyatt Melbourne. Once again this event promises to be a culmination of the year's hard work and entrepreneurship, while also providing one of the best opportunities to network with peers and the wider industry.

Tickets are now available, so please diarise this date and secure your tickets early. Further information is available on the website at [www.neca.asn.au](http://www.neca.asn.au) or call 02 9439 8523.

## Copper prices



1 July- 10 August 2009



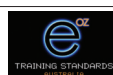
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