



national
electrical and
communications
association

NECA

NATIONAL ELECTRICAL AND COMMUNICATIONS ASSOCIATION (NECA)

NSW GOVERNMENT PRE-BUDGET SUBMISSION 2025– 2026





CONTENTS

About NECA	4
Foreword	5
Training for the Future	6
Mature Age Apprenticeship Incentives	6
Modern Training Facilities	7
Group Training incentives for small and medium sized business	8
Upskilling our current workforce	8
Addressing Workforce Shortages in the Electrical Sector.....	8
A safer and better regulated construction sector	9
Jumpstarting Small Business.....	11

About NECA

NECA is the peak industry body representing Australia's electrical and communications sectors, which employ 344,370 people and generates over \$82 billion in annual revenue.

We represent over 7,000 businesses nationwide, including 2,500 in NSW, providing design, installation, and maintenance of electrical and electronic systems across industries such as defense, construction, mining, manufacturing, and renewable energy. From achieving Net Zero and electrifying the nation to building Western Sydney Airport, equipping data centres, delivering new hospitals, and expanding the Metro—every major nation-building project depends on our skilled workforce and subcontractor network to bring them to life.

NECA has advocated on behalf of the electrotechnology industry for over 100 years. It helps members (and the industry) operate businesses more effectively and represents their interests to all levels of government.

NECA members make an essential economic contribution – connecting businesses, homes and infrastructure – encouraging investment, improving reliability and energy security, and delivering affordable, environmentally sustainable outcomes. The safety and reputation of the industry is critical to all tradespeople, consumers, and the community.

NECA is integral to the next generation of electrical contractors. Through its Registered Training Organisations (RTOs) and Group Training Organisations (GTOs), it offers employment and skills development to some 2,000 apprentices nationally. Its success is clear: proudly boasting 90% completion rates across its courses, with roughly one in three licensed electrical workers starting their career as a NECA apprentice.

NECA helps attract entrants to the industry through holistic, high-quality, industry-relevant programs including our scholarship program, the NECA Foundation, and the Women in Electrical Trades Roadmap. It proactively seeks diverse workforces, supporting female, indigenous and mature aged apprentices, and promoting career paths for school students and school leavers. It also operates the industry-wide NECA Annual Excellence Awards, which acknowledge and celebrate achievements and distinguished electrotechnology projects, and NECA's Apprentice Awards, recognising future industry leaders.

Foreword

NECA is integral in the development of the next generation of Australia's electrical and communications tradespeople, contractors and sub-contractors. Through our associated Group Training Organisations (GTOs) and Registered Training Organisations (RTOs), NECA offers employment and trade training to thousands of apprentices nationally.

We represent the interests of electrical and communications contracting businesses to all levels of government and in regulatory, legislative and industry development forums. Our members make an essential economic contribution to the NSW economy – connecting businesses, homes, and infrastructure – encouraging investment, improving reliability and energy security, and delivering affordable, environmentally sustainable outcomes. NECA welcomes the opportunity to provide a submission to the NSW Government in response to call for submissions regarding priorities for the 2024-25 Budget.

NECA's submission is focused on the following key priorities:

- small business support
- unlocking infrastructure for job creation
- regulatory reform
- training for the future
- greater female participation in the sector.

NECA believes its evidence-based, industry driven recommendations will help New South Wales move forward, and urges the government to enact these in its 2024-25 budget. We appreciate the opportunity to participate in the budget process. To discuss our submission or our industry, please contact our Head of Government Relations and Regulatory Affairs Kent Johns on 0467 660 110 or Kent.johns@neca.asn.au

Yours sincerely,

Oliver Judd

Chief Executive Officer

Training for the Future

Up to 35,000 additional electricians will be needed across Australia by 2030. With the proliferation of renewable technologies there is a national shortage of electricians trained in renewable technology installation.

NSW will require the greatest number to provide the electricians to deliver on the Governments net Zero targets, renewable energy programs and to alleviate the current housing crisis and deliver new homes for the state. NECA also recognises that the viability of the NSW VET system is a shared responsibility which should be strongly influenced and informed by industry and supported by government.

NECA is well placed through its state-based GTOs and RTOs to deliver agile training to this emerging market to ensure the future needs of members are met. To do this effectively, state and federal governments must be actively engaged with industry and for electrotechnology NECA and its training partners to ensure it gets ahead of the training curve and remain there.

Mature Age Apprenticeship Incentives

NECA supports workplace initiatives that remove cultural barriers, break down discriminatory practices, and make the electrotechnology sector a better place to work for everyone.

Having a more diverse and inclusive industry is also important to meeting resourcing challenges and skills shortages the sector faces, while lowering the gender pay gap.

Anyone aged over 21 at commencement of their apprenticeship is treated as 'mature-aged' for remuneration purposes.

The cost to hire a mature age apprentice is a challenge for all businesses - the cost is 44% greater in the first year than that of a junior apprentice, 33% in the second year, 24% in year three and it gradually decreases to only 6% difference in the fourth year.

However, mature age apprentices, including young people over 21 offer great benefits as potential tradespeople due to their life and work experience, commitment to work and training, qualifications, appreciation of safety protocols and many more.

The current disincentive to hire mature age candidates particularly disadvantages women, who are more likely to apply for an apprenticeship when over 21.

To raise awareness and support, recruitment practices, tailored education and campaigns will be required, aimed directly at women, to ensure they see the construction sector as a viable and long-term career path.

To demonstrate the effectiveness and benefits of initiatives such as NECA's culture change training, government subsidy schemes and procurement enhancements, NECA is proposing to work with state and federal governments to supercharge female inclusion in trades, particularly for mature-age female entrants.

The cost differential between mature age apprenticeship costs to employers versus school leavers (under 21 years of age) for electrical apprentices is detailed in the table below:

Role	Non-Adult	Adult	% increase	Additional cost
	Rate/Hr	Rate/Hr	Difference	Per annum
Apprentice Yr1	\$14.50	\$20.85	44%	\$14,429.74
Apprentice Yr2	\$17.04	\$22.66	33%	\$12,770.89
Apprentice Yr3	\$18.31	\$22.66	24%	\$9,884.94
Apprentice Yr4	\$21.35	\$22.66	6%	\$2,976.84

Modern Training Facilities

The transition to a clean energy economy, coupled with the urgent demand for new housing and infrastructure, presents a pivotal opportunity for economic growth in New South Wales. However, this potential is undermined by a critical shortage of skilled workers, particularly electricians, whose expertise is essential for both renewable energy projects and the delivery of infrastructure. The Clean Energy Generation Report estimates a need for up to 35,000 additional electricians across Australia by 2030, making targeted investment in training infrastructure and industry-driven solutions vital for the state's future.

Industry-led training providers, such as NECA Training, have consistently delivered world-class results in electrotechnology and renewable energy training, achieving completion rates exceeding 90%, far above the state average. These outcomes showcase the effectiveness of industry-led approaches in tackling chronic workforce shortages while addressing underrepresentation of women in the electrical trade. Expanding proven models will not only address immediate skills gaps but also equip the workforce to support NSW's ambitious housing targets and large-scale infrastructure projects, such as renewable energy zones and expanded transmission networks.

With NSW needing to double its housing output to meet the goal of building 75,000 homes annually over five years, the availability of skilled electricians is essential to the success of housing construction and modernisation efforts. Moreover, infrastructure projects, including public transport upgrades and renewable energy installations, depend heavily on a robust and capable workforce. A strategic investment of up to \$31 million to establish additional renewable energy training centres in key locations will address these workforce challenges while ensuring alignment with the state's economic and environmental priorities.

The benefits of this investment extend beyond workforce development. By addressing critical skills shortages in the electrical trade, NSW will unlock greater workforce capability, accelerate infrastructure delivery, and enhance housing availability, all while meeting its emissions reduction targets. These outcomes will position NSW as a national leader in renewable energy innovation and infrastructure readiness, driving economic growth and resilience across the state.

Recommendation: The NSW Government should allocate up to \$31 million in the upcoming budget to establish industry-led not for profit renewable energy training centres. This investment will address critical skills shortages, support the state's housing and infrastructure ambitions, and equip NSW to lead the nation in workforce readiness for a clean energy future.

Group Training incentives for small and medium sized business

To address critical skills shortages in NSW, particularly in the construction, infrastructure, and renewable energy sectors, NECA proposes the introduction of a reimbursement scheme for Group Training Organisations (GTOs). This initiative would provide targeted financial support to small and medium enterprises (SMEs) that employ apprentices through GTOs, covering a portion of the associated fees. By alleviating the financial burden on SMEs, the scheme would encourage more businesses to engage apprentices, enabling a sustainable pipeline of skilled workers while maintaining high completion rates through the structured support offered by GTOs.

This proposal would position NSW as a leader in workforce development by enhancing the capacity of SME's to invest in apprenticeships. The scheme would focus on sectors critical to the state's housing, infrastructure, and clean energy goals, ensuring that the next generation of tradespeople is trained and employed locally. Supporting GTOs in this manner strengthens job security for apprentices and ensures alignment between industry training and workforce needs.

Recommendation: NECA urges the NSW Government to implement a GTO reimbursement scheme, providing financial support to SMEs that employ apprentices through GTOs at a cost of \$500,000.00 per annum over 4 years.

Upskilling our current workforce

With rapid technology changes and skills for career transition in demand.

Addressing Workforce Shortages in the Electrical Sector

The New South Wales electrical industry is facing a dual challenge: evolving workplace standards that require a constantly updated workforce and a critical shortage of skilled labour. With the government's ambitious plans for electricity infrastructure, renewable energy projects, and emerging technologies like electric vehicles, New South Wales will require thousands more qualified electricians to meet demand. Yet, less than one-third of electricians in the state are currently training apprentices, and fewer than 55% of those apprentices complete their trade training. In contrast, NECA's Group Training Organisations (GTOs) boast a 90% apprenticeship completion rate, achieved through robust recruitment practices, quality training, and consistent mentoring and employer support.

Attracting and retaining apprentices remains a key hurdle, with many young people hesitant to commit to a four-year program. Pre-apprenticeship initiatives have proven effective in addressing this issue, providing participants with valuable industry exposure before they decide to pursue a trade. Targeted programs for women and Indigenous Australians have also been successful in equipping underrepresented groups with the skills and confidence to enter the sector. NECA is ready to collaborate with the New South Wales Government to implement these proven strategies, ensuring a sustainable pipeline of skilled tradespeople to meet the state's growing demands.

To retain and deliver quality outcomes for electrical apprentices we must provide formal mentoring and supervision training for employers. Implementing targeted mentoring programs supported by the State Government.

Recommendation: An appropriate government funded industry led Apprentice Mentoring Program is required across NSW to intervene early in the process of assisting apprentices and their employers that are in the electrical and communications industry and to provide them with the appropriate on the job support to ensure they stay in the industry and complete their trades. It must be industry led to ensure success. Initial estimates are \$500,000.00 per annum

A safer and better regulated construction sector

A safer and better-regulated construction sector, particularly in electrotechnology, is vital for protecting workers, consumers, and the broader community. Electrical work carries inherent risks, including electrocution, fires, and equipment failures, which can result in serious injuries, fatalities, or costly property damage. Effective regulation ensures that only qualified professionals undertake electrical work, adherence to safety standards is mandatory, and incidents are promptly investigated. This creates a culture of accountability, reduces workplace accidents, and bolsters public confidence in the industry. Furthermore, improved safety reduces downtime caused by accidents, translating into more reliable project delivery and significant cost savings for businesses and clients alike.

Strong regulation also drives innovation and skill development in the electrotechnology sector, ensuring that professionals are equipped to handle evolving technologies such as renewable energy systems, smart homes, and complex electrical networks. A well-regulated environment provides clear pathways for apprentices and licensed electricians, fostering a sustainable workforce equipped for the future. By safeguarding the reputation of the industry and promoting compliance, a safer construction sector attracts investment and ensures that Australia remains globally competitive in delivering cutting-edge infrastructure and energy solutions.

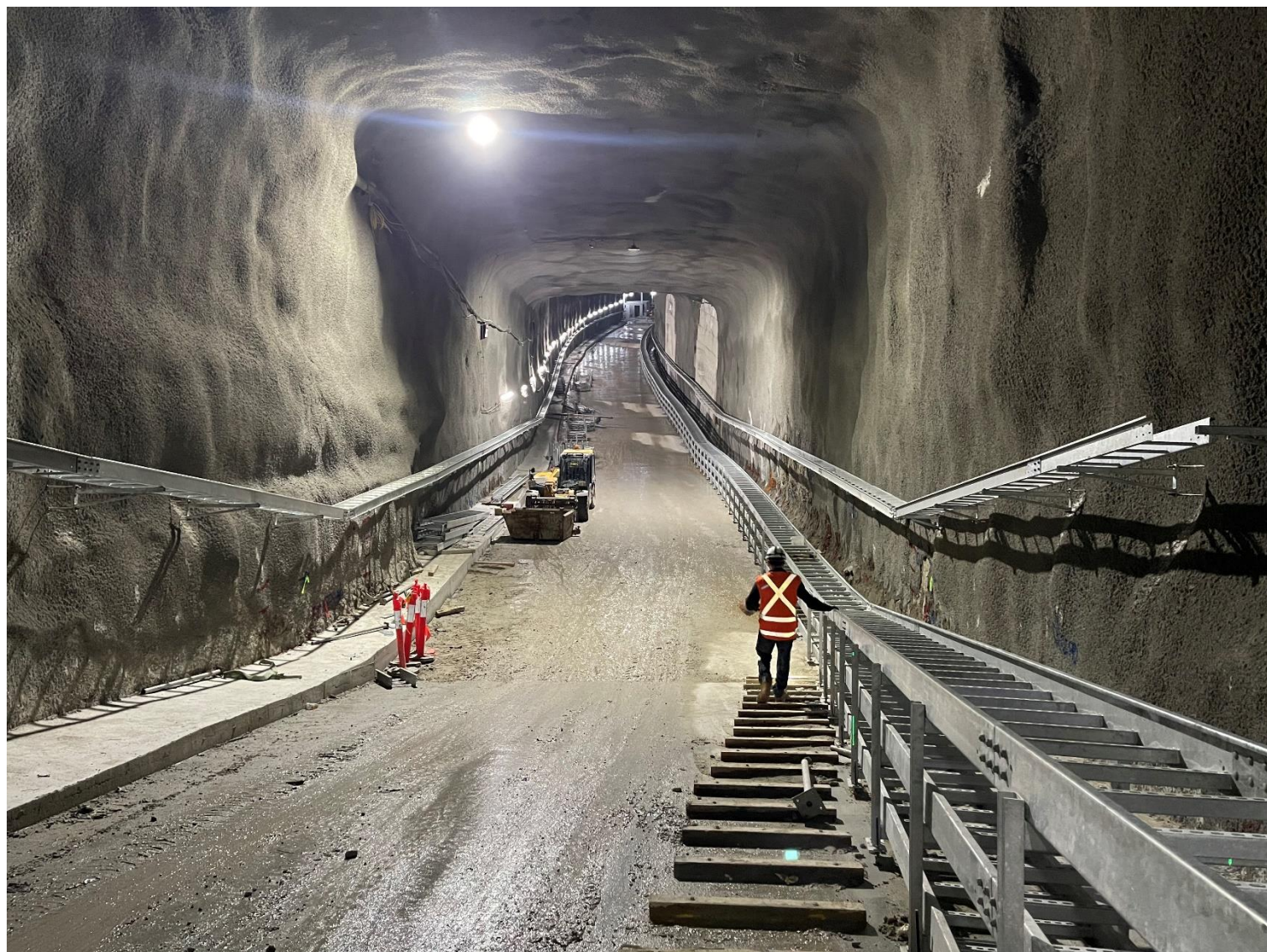
A dedicated electrical safety office

Queensland's Electrical Safety Office (ESO) and Electrical Safety Commission provide a robust regulatory framework for electrical safety. Key features include specialised investigation processes, a dedicated licensing committee to assess misconduct, and stringent compliance mechanisms. These contribute to better safety outcomes, accountability, and industry regulation.

A specialised body would streamline the investigation of electrical incidents and strengthen enforcement. By housing skilled personnel with electrical expertise, NSW could improve its response times for incidents, ensure fair accountability for breaches, and foster public confidence in electrical safety standards. NSW should establish a tripartite licensing board, including government, industry bodies, and unions, to ensure transparency and effective disciplinary actions for misconduct. Models from other states and territories demonstrate how collaboration can improve compliance and maintain industry integrity, which is vital for the safety and reputation of NSW's electrical sector.

These reforms would align NSW with best practices observed in other jurisdictions and reinforce the state's commitment to safety, compliance, and industry development.

Recommendation: Establish and fund a Dedicated Electrical Safety Office in NSW.



Jumpstarting Small Business

Small business and family-owned enterprises (SMEs) are the lifeblood of Australia's economy, and dominate the electrical and communications contracting industry. Approximately 80% of businesses in our industry employ fewer than 20 staff, and national trends show the number of small businesses across the country is increasing.

The state government, in its efforts to improve NSW's economic position, must think and act locally: support local businesses, and connecting these with local projects to stimulate local economies, resilience and growth. It is critical that recovery efforts are led by SMEs working in their local areas to rebuild local economies.

SMEs to undertake Electrical Safety and Energy Efficiency Health Checks and Upgrades for homes and businesses

Ageing residential and commercial buildings present serious safety risks to property owners and renters, as existing electrical wiring and associated equipment may not comply with current standards under the Australian Building Code, or be degrading or deteriorating, requiring remedial action. In the residential housing context, electrical safety checks are encouraged but not enforced by state and territory governments.

NECA believes it is critical that occupants are as aware of wiring or electrical safety concerns as they would be of any other building defects or non-conformance.

In NECA's view, the government should incentivise households and businesses to engage local electrical and communication SMEs, supporting and connecting local tradespeople to local jobs, to stimulate and jumpstart local economies. NECA proposes a 'dollar-for-dollar' government grant scheme be made available during the 2022-23 financial year, including;

- 'dollar-for-dollar' grants to households of up to \$3,000 for electrical safety and energy efficiency upgrades to homes; and
- 'dollar-for-dollar' grants to businesses of up to \$5,000 for electrical safety and energy efficiency upgrades to commercial property.

SMEs to undertake electrical safety and energy efficiency health check for local government buildings and assets

A similar initiative should be established whereby grants are available in a 'dollar-for-dollar' scheme for local government for electrical safety and energy efficiency checks and associated remediation/upgrades. This work should be awarded to local SMEs to ensure

tradespeople are engaged in local work to boost their local economy. Types of work that may be considered include social housing, asset maintenance works, capital works programs, security upgrades, lighting upgrades, and small-scale solar.

Recommendation:

To support and connect tradespeople to local jobs and support local economies, NECA calls on the NSW Government, in its 2022-23 budget, to:

1. Introduce a 'dollar-for-dollar' grant for households of up to \$3,000 for electrical safety and energy efficiency upgrades to homes;
2. Introduce a 'dollar-for-dollar' grant for businesses of up to \$5,000 for electrical safety and energy efficiency upgrades to commercial property;
3. Introduce a 'dollar-for-dollar' grant for local governments for electrical safety and energy efficiency checks on regional assets using local tradespeople.





