

# Why doesn't NSW require mandatory qualifications for Class 2C licence holders?

By SLED Director Cameron Smith

It's a reasonable question. Technical security professionals work with systems and equipment that directly affect the safety of homes, businesses and critical infrastructure. Many hold trade qualifications and take pride in their craftsmanship and technical skills.

The answer lies in the history of licensing for the technical sector, the former co-regulatory model, national agreements, and what actually improves public safety.

This article explains:

- how the system evolved
- how co-regulation influenced competency discussions
- why competency-based subclasses for this sector stalled
- why mandatory qualifications would not improve public safety
- why new standards could never apply only to new entrants
- and why introducing them now would impose enormous costs on the entire industry.

## 1. Before 2004/05: Qualifications were required — but didn't fit what 2C authorises

Until 2004/05, the 2C licence required a “relevant trade qualification”. But Class 2C has always authorised a broad set of activities:

- locksmithing
- alarms and CCTV
- safes
- security doors, fences and other forms of barrier equipment
- access control systems.

No single qualification mapped to all of these.

For example:

- A locksmithing trade certificate doesn't relate to alarms or CCTV.
- An electrical trade certificate doesn't relate to locksmithing or barrier equipment.

The requirement added administrative burden without improving public safety — and was removed.

## 2. How the Co-Regulatory Model Shaped the Debate

Throughout the late 1990s and the 2000s, the NSW security industry was regulated under a **co-regulatory model**:

- The **Security Industry Registry** (SLED's predecessor) handled licensing.
- Ten **Approved Industry Associations** audited the compliance of their own members.
- Membership of an Approved Industry Association was mandatory for Master licensees.

Representatives of these associations formed the **Security Industry Council**, later given statutory recognition in 2005. The Council was tasked with advising the Minister for Police on matters including appropriate industry standards. As part of this role, the Council was responsible for determining competency requirements for proposed technical licence subclasses.

This matters because the Council included *three locksmithing associations* - MLAA, LGA and ANZLA - each with (at that time, at least) different views about what were the appropriate competency requirements for locksmiths.

### 3. 2007–2008: Attempts to split 2C into specialised licences stalled

A statutory review recommended splitting the broad 2C licence into:

- a **Locksmith** licence (Class 2C)
- a **Barrier Equipment Specialist** licence (Class 2F)
- an **Electronic Equipment Specialist** licence (Class 2E)

The goal was to attach relevant, tailored competencies to each.

The Security Industry Council began its consideration of appropriate competency standards with locksmithing because it was the most clearly defined occupation — and all three locksmithing associations were represented.

However, the associations could not agree on a suitable competency requirement.

Because locksmithing was the simplest of the specialties, the Council did not progress to the much broader subclasses... and even if consensus might eventually have been reached, developments at the national level fundamentally shifted the policy landscape.

### 4. 2008–2010: National reform confirmed that competency requirements weren't justified

Around the same time, the **Council of Australian Governments (COAG)** initiated work on national standards for the security industry. Phase 2 of that work focused on the industry's 'technical sector'. COAG's national review concluded:

- Technical security roles pose **lower direct public safety risk** than guarding roles.
- The major risk is **probity**, not training.
- Jurisdictions without competency requirements had **no evidence of public safety failures**.
- Introducing mandatory qualifications would create **significant regulatory burden without clear safety benefit**.

**This does not mean technical security work was considered unimportant or risk-free — only that the nature of the risk is better mitigated by probity controls than by mandatory training requirements.**

COAG endorsed a national minimum standard for technical sectors centred on **probity only**.

### 5. 2012: NSW Parliament ends co-regulation and restores the single 2C licence

The *Security Industry Amendment Act 2012*:

- ended co-regulation
- established SLED as the industry's regulator
- abolished the Security Industry Council (which was replaced by the non-statutory SLED Advisory Council)
- **recombined technical subclasses into the single Class 2C licence with probity requirements only.**

This aligned NSW with COAG's endorsed position and reflected both the historical difficulty in prescribing meaningful competency requirements and the absence of evidence that such requirements would improve public safety.

## **Why Mandatory Qualifications Are Not Supported**

### **1. Security licensing is about public safety — not consumer protection**

The licensing scheme exists to ensure that people who are engaged to provide or enhance security:

- are not themselves security risks
- will not exploit access to premises, systems or sensitive information.

Probity checks directly address these risks. Mandatory qualifications do not — except where incompetence itself creates a public safety threat.

This is why guarding roles and security consultants have competency requirements: their mistakes can create *new* risks (e.g. improper use of force, poor operational planning, misidentification of threats).

By contrast, for Security Equipment Specialists, the public safety risks present when no lock, door, camera, alarm or bollard exists **are not increased** by the installation of a poor-quality product or by sub-standard workmanship.

In other words:

**Poor installation may reduce the effectiveness of security measures, but it does not create a public safety hazard beyond what already exists when no such measure is in place.**

Therefore, mandatory competencies are not required to mitigate public safety risk for Class 2C licensees — and probity remains the appropriate regulatory safeguard.

### **2. Making qualifications compulsory can lower training quality and integrity**

Currently, NSW security equipment specialists pursue training because they want to improve their skills.

Experience has shown that compulsory qualifications for licensing often results in:

- RTOs competing on price and speed of delivery
- diminished course quality
- “tick-and-flick” behaviour (as exposed by ICAC's Operation Columba)

The training becomes a 'means to an end' rather than genuine professional development.

### **3. Reintroducing specialist subclasses would be highly disruptive**

With over **17,000** current 2C licensees covering diverse specialisations, splitting the licence would require:

- reassigning everyone into new categories
- prescribing new competency requirements
- requiring many thousands of experienced workers to gain new qualifications.

Such upheaval is unjustifiable without clear evidence of risk.

### **The Big Misconception: “Mandatory qualifications would only apply to new entrants”**

This assumption is widespread — but it’s incorrect.

If NSW declared that the absence of competency requirements posed a *public safety risk*, then:

**Every current Class 2C licensee would need to meet the new standard.**

Why?

- “Grandfathering” only works where an earlier competency standard existed and was met.
- Here, **no competency standard has been required for over 20 years.**
- A 2005 trade certificate cannot be equated to a 2026 standard.
- SLED cannot allow thousands of licensees to operate without a newly mandated “essential” qualification.

This means:

- ✓ **All 17,000+ current licensees would have to obtain the new qualification**
- ✓ **All employers would face costs and workforce impacts**
- ✓ **Many licensees would lose work time or personal time to complete training**
- ✓ **The RTO sector would likely be unable to meet demand**
- ✓ **Regional licensees would face major access barriers due to centralised training**

**Even with a generous transition period, training many thousands of licensees across multiple specialisations would overwhelm RTO capacity and impose significant economic and operational impacts across the industry.**

### **4. Issues typically involve unlicensed operators — not licensed ones**

Most complaints SLED receives from the public and industry members about security equipment installers relate to:

- unlicensed individuals
- predatory or misleading sales practices
- false or deceptive advertising
- sham online locksmith listings.

These behaviours occur **outside** the licensing framework. Mandatory qualifications would not address them, because the individuals responsible are already operating unlawfully and avoiding probity checks altogether.

In fact:

**Introducing additional licensing barriers may increase the incentive for some operators to remain unlicensed, potentially worsening the very problems raised by industry. The compliance issues that do arise with licensed operators overwhelmingly relate to conduct, not competence — something that probity controls, not qualifications, are designed to manage.**

### **What Evidence Would Be Required to Justify Change?**

This is an important question that industry members sometimes raise.

**Mandatory competency requirements would only be justified if clear, demonstrable evidence emerged that the absence of qualifications directly caused public-safety harm — and that the magnitude of that harm outweighed the substantial regulatory and economic costs of imposing such requirements on more than 17,000 existing licensees. No such evidence currently exists in NSW or nationally and there has been no observed trend indicating an emerging risk.**

## **Conclusion**

NSW's probity-based approach reflects:

- decades of regulatory experience
- national consensus
- parliamentary decisions
- evidence about what truly mitigates public safety risks
- the practical realities of workforce impact and training capacity.

Ultimately, the licensing framework must remain risk-based, proportionate and evidence-driven. Security Equipment Specialists — locksmiths, CCTV installers, barrier-equipment installers, and others — all perform skilled work. Many pursue technical training voluntarily because it strengthens their professional capability.

But mandatory qualifications imposed now would:

- create immense cost
- disrupt businesses statewide
- burden regional licensees
- strain training capacity
- and require every existing licensee to retrain.

From a **public safety** perspective — which is the purpose of the licensing scheme — the strongest control is ensuring that people with trusted access are **of suitable character**, not that they hold a particular qualification.