MTAA RESPONSE TO:

Safe Work Australia – Regulation of welding processes

July 2026

mtaa.com.au

MOTOR TRADES ASSOCIATION OF AUSTRALIA

Contents

Executive summary

The Motor Trades Association of Australia (MTAA) supports Safe Work Australia's objective of reducing exposure to welding hazards, including carcinogenic fumes and radiation. Ensuring safe systems of work is a shared priority across the automotive industry.

However, MTAA does not support the introduction of new welding-specific regulations and does not support progression of the proposed regulatory amendments in their current form.

The consultation paper identifies legitimate challenges, including inconsistent understanding of hazards, difficulty applying effective controls, and an over-reliance on respiratory protective equipment (RPE). MTAA submits that these issues do not arise from deficiencies in the existing legislative framework, but rather from the complexity, accessibility, and practical application of current requirements.

MTAA considers that the proposed regulatory approach would impose significant and ongoing compliance costs, duplicate existing obligations, and shift focus toward administrative compliance rather than improved safety outcomes. A more effective and proportionate response is a non-regulatory approach centred on practical, industry-specific guidance, education, and small business-appropriate compliance tools.

Accordingly, of the two options provided in the Consultation Paper, MTAA supports Option 2.

1. Automotive industry context – Small business environment

The Australian automotive repair sector is overwhelmingly comprised of small and family-owned businesses, typically employing fewer than 20 staff. Work health and safety obligations are most often managed directly by owner-operators who balance compliance responsibilities alongside day-to-day operational demands.

Within this context, welding activities are:

- intermittent and task-specific rather than continuous production processes
- undertaken across diverse environments, predominantly in workshops and depots, and occasionally in mobile or roadside settings
- highly variable depending on repair conditions, vehicle type, and workspace constraints

These characteristics are critical to understanding the practical impact of regulatory change. Measures that may appear modest in isolation can impose disproportionate costs in practice, particularly where compliance is fixed in nature and does not scale with business size.

This is further compounded by the cumulative impact of recent regulatory changes across workplace relations and work health and safety frameworks. Small businesses are already managing increasing compliance complexity, and additional layers of regulation must be carefully assessed to ensure they deliver a clear net benefit.

2. Economic impact and regulatory burden

MTAA has undertaken indicative modelling of the compliance burden associated with the proposed Option 1 regulatory measures for a typical small automotive workshop (5–10 employees).

ESTIMATED COMPLIANCE COSTS

Cost category	Year 1 (implementation)	Ongoing annual cost
Risk assessments and atmospheric monitoring	$3,000 – $5,000	$400 – $1,000
Training & documentation	$1,000 – $3,000	$500 – $1,500
Signage & risk controls	$3,000 – $6,000	$1,000 – $2,000
Administration & record-keeping	$1,000 – $3,000	$1,000 – $3,000
External WHS advisory support	$3,000 – $5,000	Minimal (case dependent)
Total	**$11,000 – $22,000**	**$2,900 – $7,500 per year**

Methodology note:
These estimates are based on consultation with member businesses and reflect typical small business operating models, including owner/operator compliance time and productivity impacts. They are consistent with broader evidence that compliance costs impose significant fixed burdens on small businesses.

Even at the lower end of these estimates, the costs are material in the context of small business margins and cash flow.

Disproportionate impact on small business

The proposed measures primarily:

- restate existing legal obligations
- elevate guidance into prescriptive requirements
- emphasise documentation and record-keeping

They do not introduce substantive new hazard controls.

Evidence demonstrates that regulatory costs fall disproportionately on small businesses, with average compliance burdens estimated at approximately $25,000 per annum, representing up to 12 per cent of revenue for the smallest firms.[1]

At a system level, regulatory compliance is estimated to cost Australian businesses approximately $160 billion annually, equivalent to 5.8 per cent of GDP, with the burden having increased significantly over the past decade.[2]

Within this context, additional fixed compliance costs – particularly those that are administrative in nature – compound materially across the economy and disproportionately impact smaller businesses.

Safe Work Australia data indicates that serious workplace injuries and fatalities are concentrated in high-risk industries such as construction, transport and agriculture, with key drivers including vehicle incidents, falls and body stressing.[3] Welding-related risks are already adequately captured within existing WHS/OHS frameworks.

In this context, measures focused on administrative compliance rather than control implementation are unlikely to materially improve safety outcomes. This creates an imbalance where measurable and ongoing costs are imposed without a commensurate reduction in workplace risk.

Regulatory creep and cumulative burden

The Option 1 proposal represents a further layer of obligation within an already complex regulatory environment.

In its current form, it:

- duplicates existing duties
- increases administrative requirements
- adds complexity without improving clarity or effectiveness

This is inconsistent with the Australian Government's Regulatory Impact Analysis framework, which requires that new regulation demonstrates a net benefit and avoids unnecessary burden.[4]

Taken together, the proposal reflects incremental regulatory expansion that increases cost and complexity without delivering proportional safety outcomes.

[1] Small business compliance cost estimates (Australia), *Gitnux Small Business Statistics Report (2026)*.

[2] Mandala Partners, *The cost of Commonwealth regulatory complexity*, Australian Institute of Company Directors (2025).

[3] Safe Work Australia, *Key Work Health and Safety Statistics Australia 2025*.

[4] Australian Government, *Regulatory Burden Measurement Framework*, Office of Impact Analysis (2024).

3. Addressing the key issues – A guidance-based approach

MTAA supports addressing all identified risks and submits that these are best addressed through targeted, practical guidance rather than additional regulation.

Application of controls

The challenge is not a lack of legal obligation, but difficulty applying controls in varied real-world environments. The appropriate response is therefore task-based, industry-specific guidance and practical examples aligned with the hierarchy of controls.

Hazard Identification and Communication

Complexity and accessibility of information are the primary barriers. The appropriate response is therefore plain-English materials, visual tools, and small business friendly checklists to assist duty holders in understanding how to effectively manage risk related to welding processes.

Radiation exposure

Awareness gaps exist, particularly regarding emerging technologies. The appropriate response is therefore expanded Code guidance and practical examples tailored to automotive settings.

In practical terms, this could include the development of short-form, digital training and hazard identification tools designed specifically for small automotive workshops. These could include:

- brief (5–10 minute) mobile-accessible modules covering welding fume risks, radiation exposure, and control selection
- visual hazard identification guides using real workshop imagery
- multilingual resources to support workforce diversity

These tools would improve understanding and practical application of existing requirements at the point of work, supporting behavioural change and compliance outcomes more effectively than prescriptive regulatory measures.

4. Additional issues – Operational realities

Welding in the automotive sector occurs in variable and, at times, constrained environments, including small workshops, mobile settings, and shared workspaces. These conditions limit the feasibility of prescriptive, standardised risk controls.

Welding also frequently occurs alongside other regulated activities, such as confined space work and electrical tasks, creating overlapping obligations and potential duplication.

Effective safety outcomes in this environment depend on:

- Flexibility
- practical decision-making
- integration with existing WHS/OHS requirements

Rigid, prescriptive regulatory models are unlikely to deliver optimal outcomes. A principles-based, risk-based approach supported by practical guidance is more effective and proportionate.

5. Position on proposed regulations

Proposal	MTAA Position	Assessment
Apply Part 3.1	Not supported	Duplicative of existing duties
Mandatory training	Not supported	Disproportionate cost burden
Mandatory information	Not supported	Already required
Mandatory signage	Not supported	Limited marginal benefit
Risk assessments	Strongly opposed	High administrative burden
Restricted access	Not supported	Operationally impractical

6. Regulatory impact perpective

MTAA submits that the Option 1 proposal fails to meet core principles of sound regulatory design.

In its current form, it:

- imposes fixed costs that disproportionately affect small business
- does not meet a "no net regulatory burden" expectation
- introduces duplication without simplification
- delivers uncertain and likely marginal safety benefits

International evidence confirms that compliance costs represent a significantly higher share of turnover for small and medium-sized enterprises than for large firms, reinforcing the need for proportionate, flexible approaches.[5]

The proposal therefore does not represent a proportionate, evidence-based or economically efficient regulatory response.

[5] European Commission / Business Europe, *Tax compliance and administrative burden for SMEs* (2019–2022 analysis).

Conclusion & recommendations

MTAA strongly supports Safe Work Australia's objective of improving safety outcomes and reducing exposure to welding-related hazards across Australian workplaces. However, the evidence does not support the introduction of welding-specific regulatory requirements as proposed under Option 1.

The automotive repair sector is characterised by small businesses, intermittent welding activities, diverse workplace environments and limited administrative resources. In this context, the proposed measures would impose significant and ongoing compliance costs while providing limited additional safety benefit beyond that already achievable under existing WHS/OHS obligations. The proposal would largely formalise existing practices, duplicate existing legal duties and increase administrative burden without demonstrably improving hazard control.

MTAA estimates that implementation of the proposed requirements would cost a typical automotive workshop between $11,000 and $22,000 in upfront compliance costs, with ongoing annual costs of $2,900 to $7,500. For many small businesses, these costs would be material and would divert resources away from productive and safety-enhancing activities. Applied across the automotive repair sector nationally, the cumulative economic impact would be substantial.

On any reasonable assessment of regulatory necessity, proportionality and cost-benefit impact, the case for welding-specific regulation has not been established. The risks associated with welding are already captured by existing WHS/OHS legislation, and the issues identified in the Consultation Paper are more appropriately characterised as challenges of awareness, understanding and implementation rather than deficiencies in the regulatory framework itself.

Accordingly, MTAA supports Option 2 and recommends a non-regulatory approach focused on:

- plain-English, industry-specific guidance
- targeted education and awareness campaigns
- short-form digital training resources and practical workplace tools
- visual hazard identification materials
- small business-appropriate compliance support resources

This approach would improve understanding of welding hazards, support practical application of effective controls, increase compliance through accessibility and usability, and reduce unnecessary regulatory burden. Most importantly, it would direct industry effort and investment toward genuine risk management and behavioural change rather than additional documentation and administrative processes.

MTAA believes Safe Work Australia's safety objectives can be achieved more effectively through targeted guidance, education and industry engagement than through the creation of additional regulatory obligations. MTAA and its member associations would welcome the opportunity to work collaboratively with Safe Work Australia and jurisdictional regulators to develop practical, industry-specific resources that improve safety outcomes while maintaining a proportionate and effective regulatory framework for Australia's automotive repair sector.

Contact

E info@mtaa.com.au