



Queensland

Building and Construction Industry (Portable Long Service Leave) Amendment Regulation (No. 1) 2004

Explanatory Notes for SL 2004 No. 220

made under the

*Building and Construction Industry (Portable Long Service Leave)
Act 1991*

1 Authorising law

Section 72 of the Building and Construction Industry (Portable Long Service Leave) Act 1991.

2 Policy objectives of the legislation

The Building and Construction Industry (Portable Long Service Leave) Act 1991 established the Building and Construction Industry (Portable Long Service Leave) Scheme ('the Scheme'). The Scheme was established to provide an equitable and efficient system of portability of long service leave benefits for eligible workers in the building and construction industry. The Scheme also provides funds for training in the building and construction industry. The Scheme is funded by a levy on building and construction work. The amount of the levy is the percentage rate prescribed by regulation.

3 How policy objective will be achieved

The proposed Regulation:

- Increases the levy percentage rate from 0.075% to 0.175%.

4 Consistency with authorising Act and other legislation

The objective of the Building and Construction Industry (Portable Long Service Leave) Act 1991 is to provide eligible workers in the building and construction industry with portable long service leave benefits, and to provide funds for training in the building and construction industry. QLeave's pool of funds necessary to pay long service leave benefits and the training grant is comprised primarily of long service leave levy payments received by QLeave, together with the proceeds of investments.

The proposed amendment is consistent with the objective of the Building and Construction Industry (Portable Long Service Leave) Act 1991.

5 Possible alternative approach

QLeave consulted with stakeholders to present policy options to address industry, government and community concerns. Two options for the proposed change were prepared in the Regulatory Impact Statement for consultation with stakeholders. The proposed Regulation reflects the option given the greatest support by stakeholders to ensure the continued viability of the Scheme.

6 Benefits and costs of implementing the legislation

The proposed Regulation increases the overall levy rate by 0.1%. The increase will ensure that a greater quantum of revenue will be received, which revenue will be specifically directed to the provision of portable long service leave benefits.

The benefit gained by the increase in amount of levy collected is that the long term liabilities of the Scheme will be funded and the Scheme will remain in an actuarially sound position.

The primary costs of implementing the legislation shall be incurred in producing amended Notification and Payment Forms. The Notification and Payment Form is the approved form under the Regulation. Miscellaneous

costs shall be incurred in the gazetting and advertisement of the increase in levy rate.

7 Fundamental legislative principles

The proposed Regulation has sufficient regard to the rights and liberties of individuals and the institution of Parliament, and is consistent with the fundamental legislative principles provided for under the Legislative Standards Act 1992.

8 Consultation

The following stakeholders were consulted concerning the proposed amendment:

- Queensland Master Builders Association
- Housing Industry Association
- Civil Contractors Federation
- Australian Workers' Union
- Communications, Electrical and Plumbing Union of Australia - Plumbing Division (Qld)
- Construction, Forestry Mining and Energy Union
- Education Queensland
- Queensland Treasury
- Representatives of the building and construction industry in Queensland.

The following Government agencies were consulted over the proposed Regulation:

- Department of Industrial Relations
- Business Regulation Review Unit, Department of State Development
- Queensland Treasury
- Office of the Queensland Parliamentary Counsel.

Notes on provisions

Clause 1 provides the short title of the Regulation.

Clause 2 provides that the proposed Regulation is to commence on 1 January 2005.

Clause 3 provides that the proposed Regulation amends the Building and Construction Industry (Portable Long Service Leave) Regulation 2002.

Clause 4 amends section 7 of the Building and Construction Industry (Portable Long Service Leave) Regulation 2002 which identifies section 72 of the Building and Construction Industry (Portable Long Service Leave) Act 1991 under which the prescribed percentage rate is stated.

ENDNOTES

- 1 Laid before the Legislative Assembly on . . .
- 2 The administering agency is the Department of Industrial Relations.