

Plumbing and Drainage (Occupational Licence Fee) Amendment Regulation 2019

Explanatory notes for Subordinate Legislation 2019 No. 18

made under the

Plumbing and Drainage Act 2002

General Outline

Short title

Plumbing and Drainage (Occupational Licence Fee) Amendment Regulation 2019

Authorising law

Section 145 of the *Plumbing and Drainage Act 2002*

Policy objectives and the reasons for them

An individual cannot lawfully carry out plumbing work or drainage work unless they hold a licence (occupational licence), issued by the Commissioner of the Queensland Building and Construction Commission (QBCC) under section 34 of the *Plumbing and Drainage Act 2002* (PDA 2002). The *Plumbing and Drainage Regulation 2003* (PDR 2003) prescribes the eligibility requirements and fees payable for the licences (occupational licences) issued under the PDA 2002.

A person (an individual or a company) cannot lawfully enter into a contract or advertise to enter into a contract or a subcontract for plumbing or drainage work unless the person holds a contractor licence, issued under section 30 of the *Queensland Building and Construction Commission Act 1991* (QBCC Act). The *Queensland Building and Construction Regulation 2018* (QBCC Regulation) prescribes the licence classes, eligibility requirements and fees payable for the licences issued under the QBCC Act.

Schedule 2, Parts 18, 19 and 19A of the QBCC Regulation prescribes a plumbing and drainage contractor licence, a drainage contractor licence, and a drainage – on-site sewerage facility contractor licence. To be eligible to apply for a plumbing and drainage contractor's licence, a drainage contractor's licence or a drainage – on-site sewerage facility contractor's licence, a person must hold an occupational licence for the relevant scope of work.

Since 1 July 2017, the QBCC has been requiring contractor licensees to apply for (and pay for) both an occupational licence and a contractor's licence before they are able to contract for plumbing or drainage work.

In 2017, the Queensland Government made an election commitment to “*address the costs and risks which have been imposed on tradespeople through no fault of their own... and enact transitional measures to allow nil-cost renewal of licences*”.

Section 173A of the *Plumbing and Drainage Act 2018* (PDA 2018), which commenced on 19 October 2018 partly delivered on this commitment by deeming that a person who held a contractor's licence also held the relevant occupational licence. This was a retrospective amendment that dealt with the period from November 2014 through to commencement of the provision.

Achievement of policy objectives

The *Plumbing and Drainage (Occupational Licence Fee) Amendment Regulation 2019* (Amendment Regulation) amends the PDR 2003 to permit the QBCC Commissioner to allow nil cost application or renewal for an occupational licence issued under the PDA 2002, if the QBCC Commissioner is reasonably satisfied the application is made for the purposes of (or in association with) obtaining an equivalent contractor's licence. This will include a number of restricted licences that permit the installation of gas hot water heaters, irrigation, fire hydrants, hose reels and sprinkler systems, and on-site sewage facilities.

The proposed amendment is similar to existing provisions which permit the QBCC to waive application and licence fees under certain circumstances.

Consistency with policy objectives of authorising law

The Amendment Regulation is consistent with the policy objectives of the *Plumbing and Drainage Act 2002* and Section 173A of the *Plumbing and Drainage Act 2018*.

Inconsistency with policy objectives of other legislation

The Amendment Regulation is not inconsistent with the policy objectives of other legislation.

Alternative ways of achieving policy objectives

The Amendment Regulation is the only means of giving effect to nil-cost application and renewal fees for an occupational licence issued under the *Plumbing and Drainage Regulation 2003*.

Benefits and costs of implementation

Plumbing and drainage contractors and drainage contractors would continue to pay for their contractor licence but would not have to pay for their equivalent occupational licence, which is a saving of \$73.85 annually. The QBCC will absorb any additional costs.

Consistency with fundamental legislative principles

The Amendment Regulation has been drafted with regard to, and is consistent with, the fundamental legislative principles as defined in section 4 of the *Legislative Standards Act 1992*.

Consultation

Consultation with industry stakeholders regarding the proposals in the Amendment Regulation, include:

- Master Plumbers' Association of Queensland;
- Plumbers Union Queensland; and
- Service Trades Queensland.

Results of Consultation

All industry stakeholders support the proposal to waive fees for an occupational licence that is associated with an equivalent contractor licence.

The Queensland Productivity Commission has confirmed that further regulatory impact analysis under the Queensland Government Guide to Better Regulation is not required for the proposal as it reduces the burden on contractors.