

Home Ownership and Other Legislation Amendment Bill 2026

Explanatory Notes

FOR

Amendments to be moved during consideration in detail by the Honourable David Janetzki MP, Treasurer, Minister for Energy and Minister for Home Ownership

Short title

Home Ownership and Other Legislation Amendment Bill 2026

Policy objectives and the reasons for them

The objectives of the amendments to be moved during consideration in detail of the Home Ownership and Other Legislation Amendment Bill 2026 (the Bill) are to increase the effectiveness of Queensland's Competitive Neutrality (CN) regime by:

- broadening the basis upon which CN complaints may be made;
- establishing a revised provision for a Ministerial Guideline to set out the process regarding how CN complaints are investigated; and
- automatically applying the CN regime to subsidiaries of Government Owned Corporations (GOCs).

These reasons for these changes are to:

- address deficiencies in the current CN regime in which the basis for CN complaints does not include all material sources of competitive advantage to government businesses, nor any consideration of the disadvantages of government ownership.
- provide for a Ministerial Guideline that includes guidance on how a “net competitive advantage” will be determined to exist; and
- address an inconsistency whereby GOCs are automatically covered by the CN regime, but their subsidiaries are not.

Additionally, the amendments have another objective to update references to superseded National Competition Policy agreements within various Acts to the 2024 *Intergovernmental Agreement on National Competition Policy*.

Achievement of policy objectives

To achieve its objectives, the amendments to be moved during consideration in detail broaden the basis of CN complaints, expand the coverage of a Ministerial Guideline that applies to CN complaints, and apply CN to GOC subsidiaries.

The amendments will achieve the objective of increasing the effectiveness of the CN regime by amending:

- Sub-Section 38(1) of the *Queensland Competition Authority Act 1997* (QCA Act) to expand the definition of the principle of competitive neutrality to state that government agencies carrying out significant business activities should not enjoy a net competitive advantage arising solely from their public ownership, including because they are not subject to 1 or more of the matters previously addressed in Section 38(1).
- Sub-Section 43(1) of the QCA Act to broaden the scope of the Ministerial Guideline so that it may cover how the Queensland Competition Authority (QCA) should determine whether a government agency has a net competitive advantage arising as a result of public ownership in carrying out a significant business activity.
- Sub-Sections 39(1) and 39(3)(b) of the QCA Act so that subsidiaries of government owned corporations are automatically included as significant business activities. The term subsidiary should have the meaning given by the *Government Owned Corporations Act 1993*.
- Sub-Sections 41(1)(b) and 41(2)(c)(ii) of the QCA Act to update the basis for competitive neutrality complaints to ‘net competitive advantage’.
- Schedule 2 of the QCA Act, Section 47 and Schedule 2 of the *City of Brisbane Act 2010* (COB Act), Section 43 and Schedule 4 of the *Local Government Act 2009* (LG Act), and Section 3 of the *Competition Policy Reform (Queensland) Act 1996* (CPR Act) to update references to superseded intergovernmental competition agreements to the *2024 Intergovernmental Agreement on National Competition Policy*.
- Section 258 of the QCA Act to repeal a redundant transitional measure.

Alternative ways of achieving policy objectives

Conducting the CN review and implementing any recommended changes are specific actions Queensland has committed to undertaking to implement the revitalised National Competition Principles under the *2024 Intergovernmental Agreement on National Competition Policy*. The recommended changes to the CN regime can only be made by amending legislation as the CN regime is enshrined in legislation. There are no alternative ways of achieving this policy objective.

Estimated cost for government implementation

Implementation of the proposed amendments will not present additional administrative or capital costs to government. Any implementation costs will be absorbed from existing resources.

Consistency with fundamental legislative principles

The amendments to be moved during consideration in detail are consistent with fundamental legislative principles. Potential breaches of fundamental legislative principles are addressed below.

Legislation should have sufficient regard to the institution of Parliament by allowing the delegation of legislative power only in appropriate cases and to appropriate persons - *Legislative Standards Act 1992*, section 4(4)(a)

New clause 23E (Amendment of s 43 (Guideline for dealing with complaints))

New clause 23E of the Bill expands the scope of a guideline made by the Minister administering the Act to include “methods for determining whether a government agency carrying on a significant business activity has a net competitive advantage”. The Ministerial guideline currently allows the Minister to approve the process for the QCA dealing with CN complaints. The delegation of legislative power in new clause 23E is considered appropriate, as it is limited to explaining methods for determining net competitive advantage. These matters are administrative and detailed and can be better and more specifically explained in a Guideline than in legislation. The Minister administering the Act is considered an appropriate person to exercise this power.

Consultation

Queensland Treasury’s *Competitive Neutrality Review* consulted all government businesses that are currently subject to CN, representatives of business and local government, and the QCA. Queensland Treasury also provided GOCs with a consultation draft of the amendments to be moved during consideration in detail, given the impact of these changes on their subsidiaries. No issues were raised with the consultation draft.

Consistency with legislation of other jurisdictions

Each jurisdiction’s CN regime functions differently. Therefore, the amendments are specific to the State of Queensland, and is not uniform with or complementary to legislation of the Commonwealth or another state.

The introduction of the amendments and its updated CN framework will ensure Queensland can meet its obligations under National Competition Principle 4 of the 2024 *Intergovernmental Agreement on National Competition Policy* to have a CN policy that provides:

- an objective of promoting efficient allocation of resources, by eliminating distortions arising from the public ownership of entities engaged in significant business activity;
- a clear definition of ‘significant government business activity’;
- guidance for government entities to determine which of their activities fit this definition;
- guidance on debt neutrality, which encompasses new and more complex forms of debt; and
- clear processes for when multiple jurisdictions are involved in a business activity.

Notes on provisions

Amendment 1 Amendment of City of Brisbane Act 2010

Amendment 1 inserts a new Part 1A into the Bill to amend the *City of Brisbane Act 2010*.

New clause 1A states the *City of Brisbane Act 2010* is amended.

New clause 1B amends section 47 so the term ‘National Competition Policy Agreements’ is replaced with ‘National Competition Policy Agreement’ and also provides that the *National Competition Policy Agreement* means the Intergovernmental Agreement on National Competition Policy agreed on 29 November 2024 between the Commonwealth and the States.

New clause 1C omits the definition of *National Competition Policy Agreements* from the Schedule 2 Dictionary.

Amendment 2 Amendment of Competition Policy Reform (Queensland) Act 1996

Amendment 2 inserts a new Part 1B into the Bill to amend the *Competition Policy Reform (Queensland) Act 1996*.

New clause 1D states the *Competition Policy Reform (Queensland) Act 1996* is amended.

New clause 1E omits the section 3 definition of *Conduct Code Agreement*, replaces *Conduct Code Agreement* in the section 3 definition of participating jurisdiction with *National Competition Policy Agreement*, and inserts a new section 3 definition providing that the *National Competition Policy Agreement* means the Intergovernmental Agreement on National Competition Policy agreed on 29 November 2024 between the Commonwealth and the States.

Amendment 3 Amendment of Local Government Act 2009

Amendment 3 inserts a new Part 4A into the Bill to amend the *Local Government Act 2009*.

New clause 20A states the *Local Government Act 2009* is amended.

New clause 20B amends section 43 so the term ‘National Competition Policy Agreements’ is replaced with ‘National Competition Policy Agreement’ and also provides that the *National Competition Policy Agreement* means the Intergovernmental Agreement on National Competition Policy agreed on 29 November 2024 between the Commonwealth and the States.

New clause 20C omits the definition of *National Competition Policy Agreements* from the Schedule 4 Dictionary.

Amendment 4 Amendment of Queensland Competition Authority Act 1997

Amendment 4 inserts a new Part 5A into the Bill to amend the *Queensland Competition Authority Act 1997*.

New clause 23A states the *Queensland Competition Authority Act 1997* is amended.

New clause 23B amends the definition of the principle of competitive neutrality in section 38(1) to include consideration of whether a government agency carrying on a significant business activity enjoys a net competitive advantage due solely to the agency's public ownership. This includes, but will no longer be limited to, instances where the agency's activities are not subject to tax, debt and regulatory neutrality. This ensures all relevant advantages and disadvantages of government ownership can be considered when investigating competitive neutrality complaints. Note that methods for determining whether a government agency carrying on a significant business activity has a net competitive advantage may be included in the guideline for dealing with competitive neutrality complaints approved by the Minister under section 43.

New clause 23C amends section 39 to provide that the business activities of subsidiaries of government owned corporations are automatically significant business activities and therefore subject to the competitive neutrality regime. Subsidiary is defined by reference to the definition in section 2 of the *Government Owned Corporations Act 1993*.

New clause 23D amends sections 41(1)(b) and 41(2)(c)(ii) so that details about 'net' competitive neutrality is provided in relation to competitive neutrality complaints. This ensures that both advantages and disadvantages of public ownership can be taken into account in assessing whether the government agency has a competitive advantage in carrying out the significant business activity and aligns the information provided by complainants with the amended definition of the principle of competitive neutrality and the matters that will be considered by the Queensland Competition Authority in investigating complaints.

New clause 23E amends section 43(1) to provide that the guideline for dealing with complaints may include methods for determining whether a government agency carrying on a significant business activity enjoys a net competitive advantage over competitors or potential competitors in a particular market solely because of the agency's public ownership.

New clause 23F repeals section 258 which was a transitional provision that maintained the status of the previous guideline. This section is now redundant and removal will ensure clarity that a newly issued guideline will be the only guideline in force.

New clause 23G removes definitions for particular terms that are no longer used in this Act from the Schedule 2 Dictionary.

Amendment 5 Long title

Amendment 5 amends the long title of the Bill to include the titles of the Acts to be amended by the amendments to be moved during consideration in detail.