



# ***TRANSPORT AND LOCAL GOVERNMENT COMMITTEE***

## **Members present:**

Mrs J.R. Miller MP (Chair)  
Mr D.F. Gibson MP  
Mr S.A. Emerson MP  
Ms M-A. O'Neill MP  
Dr M.A. Robinson MP  
Ms E.C.M. van Litsenburg MP

## **Staff present:**

Ms L. Bates (Research Director)  
Ms R. Stacey (Principal Research Officer)

## **BRIEFING—INQUIRY INTO THE SUSTAINABLE PLANNING AND OTHER LEGISLATION AMENDMENT BILL 2011**

### **TRANSCRIPT OF PROCEEDINGS**

**WEDNESDAY, 30 NOVEMBER 2011**

**Brisbane**

## WEDNESDAY, 30 NOVEMBER 2011

---

### **Committee met at 9.29 am**

**CHAIR:** Good morning. I call this public briefing of the Transport and Local Government Committee to order. I would first like to acknowledge the traditional owners of the land upon which this public briefing is assembled and the custodians of the sacred lands of our state. My name is Jo-Ann Miller and I am the chair of the committee. The deputy chair is David Gibson, the member for Gympie, who is on my right. The other committee members are Scott Emerson, the member for Indooroopilly; Ms Mary-Anne O'Neill, the member for Kallangur; Dr Mark Robinson, the member for Cleveland; and Ms Lillian van Litsenburg, the member for Redcliffe.

Today's public briefing is to assist us with our inquiry into the Sustainable Planning and Other Legislation Amendment Bill 2011. The committee is considering whether to recommend the bill be passed and whether to recommend amendments to the bill. As such, the committee is focused on the provisions contained within the bill and the policy objectives that underlie this bill. The committee will be briefed today by representatives of the Department of Local Government and Planning.

The committee is a committee of the Queensland parliament and, as such, represents the Queensland parliament. It is an all-party committee which adopts a non-partisan approach to its proceedings. I remind those present that the proceedings here today are the lawful proceedings of the parliament and subject to the Legislative Assembly's standing rules and orders. As such, I need to remind all visitors that any person admitted to this meeting may be excluded in accordance with standing order 208. The committee follows schedules 3 and 8 of the standing rules and orders of the Legislative Assembly when conducting departmental briefings. Hansard will note that the witnesses have had the opportunity to read these instructions.

Although the committee is not swearing-in witnesses, I remind all witnesses that this public briefing is a formal process of the parliament. As such, any person intentionally misleading the committee is committing a very serious offence. I remind witnesses that Hansard will be making a transcript of the proceedings today. I therefore ask you to please identify yourself when you first speak and to speak clearly and at a reasonable pace. It is the committee's intention that the transcript of the public briefings be published. The findings of the committee will be a subject of a report to the Queensland parliament. The committee is to report by 6 February 2012. A copy of the committee's report will be forwarded to all witnesses.

Before we commence, may I ask that all mobiles and pagers be turned off or switched to silent mode. Can I please also ask that of anyone in the public gallery. I also ask that, if witnesses take a question on notice today, they provide the information to our committee secretariat by 7 December 2011. It is now my duty to call representatives from the Department of Local Government and Planning.

**BRUMBY, Mr Glen, Executive Director, Planning Policy, Department of Local Government and Planning**

**CURTHOYS, Mr Andrew, Acting Executive Director, Infrastructure and Regional Futures, Department of Local Government and Planning**

**HASTIE, Mr Bill, Acting Director, Office of Local Government, Department of Local Government and Planning**

**PAPAGEORGIU, Mr Michael, Executive Director, Planning Policy, Department of Local Government and Planning**

**SAUNDERS, Mr Mark, Acting Executive Director, Transit Oriented Development and Design, Department of Local Government and Planning**

**CHAIR:** Would you like to start the briefing, please?

**Mr Papageorgiou:** Good morning, Madam Chair and committee members. My name is Michael Papageorgiou. I am the Executive Director of the Planning Policy Division of the Department of Local Government and Planning. I thank the committee for this opportunity to brief you regarding the Sustainable Planning and Other Legislation Amendment Bill 2011, which I will refer to as SPOLAB. I will be briefing you and answering questions in association with my four colleagues as you announce them. Together we will answer any questions the committee may have regarding the amendments in the bill.

Many of the amendments proposed in SPOLAB are administrative and technical in nature but are nevertheless designed to ensure that portfolio legislation is clear, achieves its policy intent and continues to provide an effective framework for sustainable planning and infrastructure development in Queensland.

Due to the technical nature of many amendments and the need to make the legislative changes efficiently to a number of different acts, SPOLAB has been prepared as an omnibus bill. It will amend six acts administered by the department for a range of different purposes. It will also make a minor amendment to the Coastal Protection and Management Act 1995, which is administered by the Department of Environment and Resource Management.

Some amendments in the bill are significant and I will describe these now. SPOLAB will amend the Sustainable Planning Act 2009, or SPA, to ensure it remains effective, contemporary and relevant to stakeholders. Significant amendments to SPA include the proposed expansion of the urban encroachment policy state-wide which will allow affected industry or businesses to opt in to receive protection from urban encroachment nuisance actions. This is based on the Milton Brewery model. As a consequence, the Planning (Urban Encroachment—Milton Brewery) Act 2009 will be repealed and incorporated into the planning and development framework under SPA.

Other changes include the clarification of ministerial call-in and direction powers to ensure procedural fairness. In particular, the amended legislation will give greater guidance to the minister to allow him to determine when consultation is required. Clarifying the relationship between local planning instruments and the Building Act 1975, it is proposed to reduce any delays and costs to building applicants that might have arisen from inconsistencies as well as to reduce duplication in assessment. This amendment is expected to streamline and improve the building development assessment process, clarifying the policy intent of the government's infrastructure charges reforms including providing for local governments and water district for retailers to index adopted infrastructure charges for the period between when the charge is issued and when it is paid. This indexation cannot exceed the maximum adopted charge mandated by the draft state planning regulatory provision—the adopted charges. I also note that the Queensland Parliamentary Library has prepared a research brief regarding the amendments to clarify the minister's call-in powers.

I turn specifically to some of the amendments. Amendments in SPOLAB also aim to ensure businesses and the community are not burdened by unnecessary red tape or compliance costs related to routine plumbing work carried out under the Plumbing and Drainage Act 2002. Proposed amendments to this act will significantly expand the category of works that do not require a plumbing compliant assessment or local government inspections, ultimately resulting in lower fees for the industry and consumers.

Amendments to the Local Government Act 2009 deal with local government superannuation matters. Specifically, the amendments will enable LG super contributions to be reduced from those prescribed by regulation in certain circumstances, such as instances of financial hardship and if additional tax would be incurred by a member under the Commonwealth government's concessional contributions cap.

There is also a range of minor amendments of an administrative nature that are proposed to the Urban Land Development Authority Act 2007, the ULDA Act, to clarify current provisions, address anomalies, bring the act into line with corresponding provisions in SPA and expand existing provisions to assist in streamlining the planning and development assessment process and operational procedures. The amendments to the ULDA Act will also provide certainty to those entering infrastructure agreements with the Urban Land Development Authority under the act. The proposed changes will ensure that infrastructure agreements entered into with the Urban Land Development Authority provide the same certainty as provisions contained in SPA and are carried through transitioning arrangements when the authority withdraws from an urban development area or once all or part of the urban development area is revoked and the land falls back to the responsibility of the relevant local government.

Amendments to the Animal Management (Cats and Dogs) Act 2008 are proposed to enable authorised local government persons to access information in the Queensland motor vehicle registry in circumstances where the information may be used in an investigation to identify the owner of or responsible person for a dog that is the subject of a complaint about a serious dog attack causing death, grievous bodily harm or bodily harm to a person or animal.

Finally, thank you for the opportunity to brief the committee regarding this bill. We would be pleased to answer any questions the committee may have.

**CHAIR:** Thank you very much. Do any of your other officers want to brief us in the meantime?

**Mr Papageorgiou:** We are happy to take questions.

**Mr GIBSON:** Thank you for that briefing. I note you indicated that it is an omnibus bill. It is incredibly diverse in its arrangements. Looking at the time line of some of those consultations, I note that some of them concluded back in February this year and yet have only been included in this bill, which was introduced in October. I also note looking at your consultation dates that consultation in some areas continues after the bill has been introduced into the House. Can I ask why do we have such a broad range of issues being contained in this bill, why the delay on some of the consultations being concluded in Brisbane

February and only being introduced into this bill and why do we have a situation where, I think if we look at the dates for the local government one, further consultation with key stakeholders was being undertaken but that is after the event? Can you explain to us how this bill has come together and why we have seen it in its current form?

**Mr Papageorgiou:** Okay. I will attempt to answer the range of questions there. The changes proposed under SPA and related legislation are all matters that are relevant to the portfolio of our department, apart from the issue that relates to the coastal management act, and indeed that is an item that is also relevant to development issues. So it is a practice to bring together updates and changes, in particular to SPA, as working through the legislation and learnings about improvements and enhancements. So it is not unusual to have an omnibus bill that brings together a number of improvements and enhancements, and that was the basis, as I understand, as to how this has been prepared. Consultation with many of the parties has occurred on different aspects of the SPA changes as well as the other legislative changes, so often you will see from the notes that there was consultation with the same parties and groups on different elements of the legislation package as it was prepared. My understanding is that these provisions and changes and enhancements are all appropriate to proceed. It is appropriate to proceed with them together in a group, and that is how we have arrived at the position today.

**Mr GIBSON:** I note your point and, with regard to SPA, I accept that. But the changes to local government super and the cats and dogs act are not linked into that SPA area. Why are we seeing those pieces of legislation included in this bill?

**Mr Papageorgiou:** The local government and the cats and dogs measures are relevant to our department and portfolio. I agree that they are not development related matters. I would suggest that they are necessary changes that have arisen in this period and it is appropriate to include them with this overall package. In other words, it does not do harm to the package and they are good things to progress.

**CHAIR:** Just tell us, Michael: was it a cabinet decision? If it was a cabinet decision to put them in, we will accept that. Did the cats and dogs amendments come up from the department or was it just put in an omnibus bill because that was the most appropriate way to do it?

**Mr Papageorgiou:** Madam Chair, I am not aware of the answer to that question. I understand that we have been working on these amendments and changes and that this bill was seen as an appropriate way to put them forward.

**CHAIR:** Okay.

**Mr GIBSON:** If I can touch on the superannuation elements.

**Mr Papageorgiou:** Bill Hastie will comment on that.

**Mr GIBSON:** Thank you for that. Bill, if you can take us through just a little bit more and expand on what Michael has alluded to and what you have provided there. I am just trying to get my head around why these changes are necessary, and the question is: have we done something similar for people involved in QSuper or is this something specific to the structure of LGsuper that we need to put these changes in place?

**Mr Hastie:** There are two amendments—one affecting Brisbane City Council employees and one affecting employees of other local governments. In both cases the amendments were at the request of Brisbane City Council, the LGAQ and supported by the unions because both amendments act to benefit employees in each situation. These amendments have to be by agreement. Both of these amendments only operate if there is an agreement between the employer and employee.

In the case of the Brisbane City Council amendments, they act where an employee has financial hardships and they want to be relieved of the statutory or the prescribed amounts of superannuation contributions which are prescribed in the legislation. This allows, on agreement, for the employer and the employee to come to an agreement to lower those contributions if that employee is suffering financial hardship.

In the case of the Local Government Act amendments, it principally affects someone on a very high salary where their prescribed superannuation contribution pushes them over the threshold in terms of the Commonwealth contributions concessional taxation arrangements. Those thresholds are currently \$25,000 for people under 50 years and \$50,000 for people over 50 years. That higher threshold will reduce next financial year, I understand, to \$25,000 for people over 50 years of age. So someone even in a senior management position in local government would easily fall over that threshold. Certainly chief executive officers and senior managers would fall over that threshold, so potentially they will get caught by that higher tax rate, which is up to 45 per cent I understand, whereas the base tax on super contributions is only 15 per cent.

On the last point of your question, yes, a similar amendment was made in relation to QSuper, and that went through fairly recently I think to make a change to the state public sector superannuation deed to make similar arrangements for state public servants.

**CHAIR:** Thank you, Bill. What is the definition of financial hardship?

**Mr Hastie:** I do not believe there is a precise definition. It could vary according to someone's circumstances, so it is meant to be fairly wide to cover many situations.

**CHAIR:** Are there going to be any guidelines issued in relation to financial hardship? It is just that as members of parliament we quite often have constituents who come to us who do have various compassionate causes in relation to financial hardship and various different superannuation schemes have different types of definitions of what financial hardship is. So I am just wondering if you will be issuing guidelines on that.

**Mr Hastie:** I do not believe that that is a matter that has been thought about to date, but certainly we could take that on board in discussions with the councils, the LGAQ and the unions and the super board to see if that would be beneficial to have such guidelines, yes.

**CHAIR:** I think as a committee here today we would agree that we would certainly like you to take that on board, only because our experience as members of parliament is that there are far too many different definitions of what financial hardship is. I will give you an example. Some things can be medical issues; other things can be car accidents. Do you know what I mean? But it depends on the particular superannuation scheme as to how they actually determine what financial hardship is. I just think for local government it is very important to have some guidelines in place for them which will go right across the local government system.

**Mr EMERSON:** Just on that point, Madam Chair, I know that you talked about some circumstances. As an MP who had many people affected very badly during the floods, it was a similar situation, and I am sure some other members may have also. That was one of the consistent questions that was raised with me about accessing that money given the extraordinary circumstances of January. So some sort of definition that you can come back with would be most welcome.

**Mr Hastie:** Certainly. We will certainly take that on board.

**Mr GIBSON:** Just to expand on that then, the issue of financial hardship is a significant one and often people are accessing this money in incredibly difficult circumstances. But then those circumstances often will change. We will see 12 months down the track people are getting back on their feet. Is there a time frame linked into this or would these changes, once they occur, stay in place until the member elects to go back, because I guess the downfall of that is that we could be robbing them of their long-term retirement opportunities if they are through their period of financial difficulty but do not go back to making a full contribution?

**Mr Hastie:** As I said previously, these arrangements will be covered by an agreement, so the start and finish date will be covered within the agreement between the employer and employee. There are no limitations on those arrangements. It is subject to what the employer and employee agrees.

**CHAIR:** Bill, what if there is no agreement? Is there any appeal mechanism in that case?

**Mr Hastie:** There is none provided in the draft amendments.

**CHAIR:** So what happens in reality? Let us say, for example, that the employer and the employee cannot agree. What happens then if there is no appeal arrangement in place?

**Mr Hastie:** We did not envisage that there would be a situation where there would be no agreement.

**CHAIR:** But why not?

**Mr Hastie:** The initiative would be at the initiation of the employee to the employer. I cannot envisage any reason why the employer would refuse a reasonable request.

**CHAIR:** Can you please go back and have a look at that?

**Mr Hastie:** We certainly can, yes.

**CHAIR:** Because, as you would be aware, there quite often are situations where employers and employees do not agree and, without there having been some mechanism in place, I think that this could turn into an area that could become quite difficult without having a definition or some guidelines in place on what is or what is not financial hardship. I think that this is an issue that should have been addressed before this legislation came before us. So if you could please take that on notice and get back to us in the time frame that I indicated this morning, we would be greatly appreciative of that.

**Mr Hastie:** Yes. We will certainly do that.

**Ms O'NEILL:** Good morning. I have a question for Bill. Could I just clarify that there are a couple of stages. If I went to see my employer and said that I was suffering hardship, I could choose to stop my contributions but the employer could still continue to pay theirs, but in certain circumstances I could request that the normal employer contributions could be paid to me as an extra salary. Is that how it is, or is it all or nothing?

**Mr Hastie:** That is right. The contributions foregone, if you like, will be paid as salary. In terms of their overall remuneration package, they do not lose out. What is not paid as a superannuation contribution is paid as salary.

**Ms O'NEILL:** So the normal process then is that you can choose as an employee not to contribute and then there is a portion that the employer will always contribute, but in certain circumstances that is what this is about—that is, getting the employer contribution paid to you as salary?

**Mr Hastie:** That is the effect of it. If it is not paid as a superannuation contribution by utilising these arrangements, in terms of your overall remuneration package you do not lose out because it will be paid as salary in lieu of super.

**Ms O'NEILL:** Thanks.

**Mr GIBSON:** There are different taxation arrangements obviously with how things are treated for superannuation and how they are treated as salary. Was there any consideration of the impact of those different taxation arrangements with regard to these amendments?

**Mr Hastie:** Certainly, the arrangements were put in place to ensure people were not paying that non-concessional tax rate on superannuation contributions. That was the intent of the amendments in relation to local government employees.

**Mr GIBSON:** But you could have a situation where an individual who is in financial hardship who elects to take this then finds that they go up in tax bracket because their personal income is now greater and therefore would be taxed at that contribution coming back at a higher amount. That possibly could be the case, could it not?

**Mr Hastie:** The financial hardship amendment is only in relation to the Brisbane City Council employees. But an employee seeking to enter into these arrangements under either situation would need to consider those taxation arrangements to ensure that they are not putting themselves in a worse situation. Ultimately the responsibility must rest with the employee.

**Mr GIBSON:** And you indicate that it is just for the Brisbane City Council. So this arrangement is not available to other local government employees working for other councils; is that correct?

**Mr Hastie:** That is correct. The arrangements for the Brisbane City Council employees that we are proposing to insert—or actually reinsert—were a feature of the old City Super scheme. Just recently—last year—the City Super scheme and the local government schemes were combined for saving administrative costs. The two schemes always had different contribution rates. For example, with the Brisbane City Council scheme the employer contribution is 14 per cent, the employee contribution is five per cent. In the local government scheme, the employer contribution is 12 per cent and the employee contribution is six per cent. So there are a number of differences. One of the other differences was that under the old City Super scheme Brisbane City Council employees had that feature that they could come into those financial hardship arrangements. This amendment is really replacing or reinserting that arrangement back into the new scheme.

**Mr GIBSON:** Taking that on board, was there any discussions between the department and the board of LGsuper about effectively creating two classes of entitlements for employees within the one system?

**Mr Hastie:** Certainly, when the two schemes were combined that is actually a feature of the system—that Brisbane City Council employees, whether the scheme is administered by a separate scheme or a combined scheme, always had a different superannuation system and arrangements from other local government employees. It is just a feature of the system. What the amalgamation of the two schemes did was reduce the overall administration costs for both sets of employees.

**Mr GIBSON:** I understand what you are saying. My question was though: was there any discussion between the department and the board of LGsuper about what this would achieve?

**Mr Hastie:** In terms of maintaining the two separate scheme arrangements and the differences, not explicitly. That was understood—that, yes, we do have two different superannuation arrangements: one applying to BCC employees and another one applying to local government employees.

**Mr GIBSON:** But it was not explicitly.

**Mr Hastie:** Not explicitly. It is implicit in the discussions that we are maintaining two different schemes. There is no intention to combine or make the arrangements uniform, because that is a much bigger issue. To align the contribution rates someone would have to go up or down. That is not contemplated.

**Ms O'NEILL:** I was going to make the comment that these are entrenched industrial conditions that have been subject to long-term negotiations and they were not going to be amended just by the administrative savings. So you have different streams or different groups of employees who have the conditions. That was not the intention, as you say, to change those industrial rights; it was more to gain savings but still have the same kinds of conditions. I know that, having been through many enterprise bargains through the Brisbane City Council, if the constituent groups wanted to change they would be subject to some kind of discussion then through the normal industrial practices. Would that be how you would see it? It would not be anything done by this?

**Mr Hastie:** No. That is correct. That sums it up precisely, I think. There was no intention to change those long-held negotiated positions regarding superannuation contribution rates.

**Mr GIBSON:** If I can move to the other element of super—sorry, Bill, you are going to have to continue the grilling here—

**Mr Hastie:** That is okay.

**Mr GIBSON:** We have one element that is providing assistance during times of financial hardship. The other amendments seem to be, if I am blunt, directed at the fat cat end where we are getting around what the Commonwealth has decreed to be an acceptable level of contribution, and this is some way to sneakily try to avoid that. Am I being fair in that assessment?

**Mr Hastie:** I am not sure I can pass a comment on whether it is fair.

**CHAIR:** Just explain to us again how it would work at the chief executive or senior officer level.

**Mr Hastie:** Certainly. The affected employee would make an application to his employer seeking a reduction in the contributions so that they did not exceed those cap arrangements. It is as simple as that. They would seek to enter into an agreement to what level or what percentage the revised contribution rates were.

**Ms O'NEILL:** I have been through a bit of this, so I understand what happens if it goes over \$25,000. So if your percentage is five or six per cent, it is going to take you over that figure. There is no suggestion that they are going to tamper with the employers' contribution or to not contribute themselves. They would reduce it, say, from the \$1,000 a fortnight to \$600 so as not to trip that magic \$25,000 and therefore incur a bill at the end, which then you can pay out of your superannuation fund which minimises your super contributions anyway. So it was really a method of ensuring that you did not trigger that \$25,000. So the employer still pays the same amount. Isn't it employer contributions that trigger the \$25,000? Is it to reduce the employer contributions or the employees' contributions?

**Mr Hastie:** It is employer contributions plus contributions that are salary sacrificed. It is the ones that are subject to the concessional 15 per cent taxation rate. The normal employee contributions are post tax, so they are not subject to that concession. So it is the contributions which are taxed at the 15 per cent rate when they are contributed to a scheme. So it is, as I said, the employer contribution and any salary sacrifice arrangements. May I just add that the request for the amendment was made by the LGAQ at their annual conference resolution.

**CHAIR:** We understand that. Thank you for making that clear.

**Ms van LITSENBURG:** I am just going back to the hardship clauses. Did I understand you to say that when a person had that hardship they were no longer contributing money to their super, that the employer contributions went into their salary?

**Mr Hastie:** That is correct. There is no intention that in an overall sense the employee would lose out in terms of their total remuneration package.

**Ms van LITSENBURG:** My concern is that 25 or 30 years down the track someone who has had a hardship now is not going to be flush then. It just means that then they probably will not have the super they need.

**Mr Hastie:** As I pointed out—

**CHAIR:** I am taking on board what Lillian has just said. If someone applies for consideration under financial hardship, what is the time limit upon which financial hardship will be considered reasonable so that they go back to their full superannuation contributions? Do you have any time limit in mind—such as six months, 12 months or two years—as to when it is to be reviewed?

**Mr Hastie:** Again, it is covered in the agreement between the employer and employee and it is initiated by the employee.

**CHAIR:** Yes, we understand that. You have said this before to us. But the issue is what if that agreement cannot be made? I understand that you are going to come back to us on that. If there has been financial hardship considered to be for two years, for example, which may very well be reasonable in the circumstances, what if the employee wants to continue that for, say, five years or 10 years? Does the legislation pick up on that?

**Mr Hastie:** Yes, it does. It is for not more than one year but it is then open for a new agreement to be put in place.

**CHAIR:** So a new agreement can roll year after year after year and they just go back on that anniversary date every year to see that it rolls again every year? Do you find that a little bit disconcerting in relation to financial hardship? That could run for 30 years if you had a younger employee.

**Mr Hastie:** I suppose it is up to the employee at the end of the 12-month period to see whether they want to make a new agreement for the next 12 months.

**Ms O'NEILL:** Having been in this circumstance myself in the distant past, eventually there is a criteria that you have to meet when you are identifying financial hardship. I had to supply a whole range of things to my super fund to prove that there was, in fact, hardship—what were the outgoings. So, whilst we can have some guidelines, I still think that the person does have to prove that they are in hardship to actually trigger this agreement. So I do not think it is just a notion of, 'I can't afford it,' because every young person I know when they start paying super say, 'Gee, I can't afford that,' and when they are 50 they say, 'Thank goodness'—if anyone here was 50, of course. But having to fill out forms and comply with the notion of hardship would protect in some way from abrogating any responsibility with regard to superannuation, do you think?

**Mr Hastie:** Yes. The employee will need to provide some documentation to make his or her case, certainly.

**CHAIR:** Just delving into this in a little bit more detail, what do you envisage that documentation might be if it is not medical?

**Mr Hastie:** It could be any range of financial circumstances no matter what the cause is. The cause could well be major illness and hospital bills. It could be a range of factors which affect the income and expenses of that employee. Obviously, the other consideration they would want to take into account is the long-term impact on their super balance. To put it simply, they would not want to cut off their nose to spite their face in terms of their long-term arrangements. I would imagine any employee would want to seek some sort of financial advice before entering into such agreement.

**CHAIR:** Is there any view in this scheme that the employees would be asked or required to seek that sort of financial advice?

**Mr Hastie:** I think that is a matter that we can address in the guidelines that we talked about previously.

**CHAIR:** Very good, Bill.

**Mr EMERSON:** I must confess that I am becoming more and more uncomfortable as this line of questioning has gone on. The impression I get is that not a lot of thought has gone into the actual practice of how this is going to work. We have been told that there would be some sort of arrangement between the employer and the employee but we are not sure what that arrangement will be—they will come to some sort of agreement. We are told that an employee will indicate that they need this and, as some of my colleagues here have indicated, the reality is that if you are a younger person or you are in some sort of financial hardship you always think it is better to get the dollars now and not worry about what is going to be happening in 30 to 40 years time. We have also heard the explanation of why the hardship is there has not been determined. We might get some sort of guidelines at some stage—maybe—but you have indicated that that can be quite open. You have mentioned medical hardship. Someone who is an employee may come to their employer and say, 'I have a gambling habit. I have lost all of my money. Can you give me my super and give me the money now?' Is that an example of something that might be considered?

**Mr Hastie:** I do not really know the answer to that question. What I can point out is that these financial hardship provisions or the ability to make an agreement were a feature of the old City Super scheme. We are merely replacing those arrangements. I am not aware that there were any major problems in the past.

**Mr EMERSON:** I just gave you an example of someone having a gambling habit. If someone came to their employer and said, 'I have a gambling habit and I want some sort of variation,' would that be appropriate for getting some sort of variation?

**Mr Hastie:** I think that is something that would need to be covered in the guidelines.

**CHAIR:** We expect these guidelines will be very thorough when you come back to us, Bill.

**Mr GIBSON:** Just to pick up on that and to give you some relief, Bill. Could you provide us with the old guidelines that City Super operated under? Could you also provide us with any information you may have as to the problems and how they were managed within the old City Super scheme? If we are simply replicating that, perhaps you could provide to the committee that type of feedback so that we can then determine how to go forward?

**CHAIR:** Were there any under the old City Super scheme?

**Mr Hastie:** I am not aware of that. That is something we will ascertain for you.

**Ms O'NEILL:** I am imagining these conversations have been had with the stakeholder groups—for example, all the unions that are involved and the other representatives of local government. So I am sure these questions have been gone into at length, but I know that having represented people in the past when they were trying to seek this information there are quite a lot of hurdles. I am sure no-one would expect you to have this information at your fingertips, but I am sure that somewhere in the depths of the Brisbane City Council there is an HR person with masses of this information that you can send along to us.

**Mr Hastie:** May I just confirm with you the extra documentation that you require? You would like a copy of any old guidelines that operated under the former BCC scheme?

**CHAIR:** And any other scheme.

**Mr Hastie:** Yes. What is proposed in relation to new guidelines?

**CHAIR:** Draft guidelines please.

**Mr Hastie:** You want draft guidelines?

**CHAIR:** Yes.

**Mr Hastie:** And the arrangements in relation to appeal or review of a decision if no agreement can be put in place?

**CHAIR:** Exactly right.



**Mr Hastie:** We can provide those.

**CHAIR:** It would be very good if you could give us any examples of any problems that have been identified under the old scheme as well.

**Mr EMERSON:** I may have missed it, but I would like to see examples or case studies of where there have been variations across a range of things so we can get a sense of where there are financial or health reasons for the variations.

**Mr Hastie:** Certainly.

**Ms van LITSENBURG:** And also how the guidelines have changed from where in this particular occupation we provide super to now where there is universal super. Do you understand what I mean? Before universal super came in some jobs had super and there were not the same rules around ensuring that you have some way of supporting yourself when you retire. It was more like an extra benefit rather than something that you would use to support yourself in your retirement. With universal super we are looking at super that is going to provide people with an income after they finish working. We have seen a change in the guidelines from super being a benefit for people on high salaries to something that is universal and that everyone needs when they are older. How have the guidelines changed when we changed to having universal super, which is about providing everyone an income when they retire? I do not know whether you understand what I mean about that.

**Mr Hastie:** I think there would be guidelines in relation to the QSuper arrangements, which were made in respect of state employees. We could possibly obtain those as well.

**CHAIR:** Bill, we want the guidelines for any local government super.

**Mr Hastie:** Sure.

**CHAIR:** If you could provide us with that and a bit of the historical information that I think Lillian is requesting, that would be appreciated. Are there any other questions on super? Bill, we thank you very much for your contribution here today. We are going to move on to plumbing now.

**Mr GIBSON:** One of the things that this committee has been able to do in various other hearings on other pieces of legislation is note the disparity that exists between councils of a mid to small size in regional areas—particularly the issues that remote and Indigenous councils face—and larger councils. In the last paragraph of your submission, for example, you state that a number of local governments have written to the department indicating that they are concerned the proposed fees are too low. That does not accord with the views of Brisbane City Council and the Gold Coast City Council. My question is: is there any flexibility within these amendments to ensure that those councils that perhaps do not have the volume of work that we would see in our larger councils are not left with the burden of the cost of auditing these types of activities or is it one fee across the whole state and local governments will have to cut their cloth accordingly?

**Mr Brumby:** With respect to feedback we have got from local governments, I think the paragraph you are referring to, Mr Gibson, shows that there is a bit of misunderstanding about how it will operate. The fee proposed by the government is \$25, of which \$15 is being quarantined for local government audits. That is available based on the number of inspections in their area. We are anticipating an audit regime of approximately five per cent, which is one in 20. In effect, what that means is that the local governments will get around \$300 per inspection which is around three times more than a lot of the local councils charge for an inspection, which is \$100. That takes into account the need sometimes to write the owner a letter and do a follow-up inspection.

When we discussed this at length with the councils they did agree that that was a reasonable fee. Most of them charge less than \$300. The remote councils will not be burdened with extra obligations, they will retain their work for new buildings and the fee structures are attached for the approval for new buildings, but they will also get additional money for auditing based on the number of forms that are submitted in their area.

**Mr GIBSON:** I take your point, Glen, but I will just clarify it. But what if we are talking about the smaller western councils that may not have the volume of work occurring? At the moment it is a \$300 fee but they may only do three or four jobs a year and that reflects the cost of the audit. If that fee drops but you are still only doing the three or four jobs a year, the audit costs have not changed. Will they have the flexibility to reflect their individual circumstances, particularly where there is low volume? I understand what you are saying in the other areas and that is driven by volume, but I am talking about those areas where it is particularly low.

**Mr Brumby:** The auditing is not mandatory for local governments. They can choose the amount they wish to audit. But we will pay them the money that is quarantined for them routinely. If they want to do fewer audits then they are entitled to do that. But obviously we would hope that they do a minimum of five per cent, targeting the areas of greatest concern. But in terms of flexibility, we were not thinking about putting in any flexibility in terms of the fees. We were trying to keep the fees at a local level just to maintain the benefits of the program.

**Mr GIBSON:** So in consideration of these particular amendments, you say you did not consider flexibility; you wanted to keep the fee low. Was the driver for that based on volume?

**Mr Brumby:** The driver was really based on analysing what would be reasonable for local governments to undertake—an amount of auditing that would make a difference to protect compliance. We based it on about five per cent. Obviously, the targeting of the areas of greatest concern is what we want. Reporting back about where the problems are will drive the selection of work that the councils want to audit. But ultimately it was a maths equation based on a small fee, keeping some for local governments and funding a reasonable amount of auditing. It was based on \$300 per inspection.

Some local governments have told us that they will do three inspections for \$300 and others have said that they think \$300 is too cheap. I think the feedback reflects a misunderstanding by some councils. They think that we are expecting them to audit all the work but we are not. It is an audit regime of a selection of the work.

**Mr GIBSON:** Can you just take us through the audit regime then? How will the department be monitoring that regime? What feedback will you give? Obviously if some of the larger councils are not even achieving the five per cent, which you would expect would be very prudent in the large urban areas, how will you be monitoring that? More importantly, how will the public have confidence that that process is in place?

**Mr Brumby:** The scheme in place in the act anticipates a greater level of auditing by the Plumbing Industry Council of the plumbers and auditing by local governments of the work that is done by the plumbers and a complaint mechanism where any work that is found to be substandard can be reported to the council or the Plumbing Industry Council. We anticipate that this new arrangement will improve compliance because there will be more reporting of the work. We work very closely with local governments. We tend to visit them every few months at the moment, as the Plumbing Industry Council, training the plumbing inspectors. We get an enormous amount of feedback from them. We use our complaints that the Plumbing Industry Council gets in its six-weekly meetings to analysis where the weaknesses are in the system and where there is a need for extra training or extra compliance work. At the moment we have got quite a lot of feedback from local councils and that is the main mechanism. We will have a complaints mechanism and Plumbing Industry Council auditing of plumbers.

**Mr GIBSON:** So for the public to be aware of that information would we see that in annual reports to the Plumbing Industry Council? How would there be that transparency of being aware of the level of auditing just on the numbers?

**Mr Brumby:** The council is looking at upgrading our web presence to report on routine compliance matters et cetera. Plus we are also planning a communication strategy to owners who get work done by a plumber to ask for a form 4 to make sure the person who did the work was licensed. We think that will help a lot. When owners realise that there are a lot of protections provided by the licensing system, they will want the form from the plumber. When they get that we know who did it. But also through a state based register we are going to collect data on the work that is done. I think we can then cross-match where we find problems and communicate that to the public through various web mechanisms in our communication strategy.

**Mr GIBSON:** But that is not mandated. We may not see that information become available? There is a great opportunity here for accountability across all local government areas—and I appreciate what you are saying about individuals dealing with individual plumbers, and that is of course a very important element—but the public will also want to have confidence that council X has a good regime in place. How will they see that? You have talked about a broad communication strategy. What I am asking is: what definite things will be in place that the public will be able to access and see?

**Mr Brumby:** Putting on my hat as the chair of the Plumbing Industry Council, if I may, I really support the idea of having transparent compliance reported to the public. In my role on the Pool Safety Council, we now have on our website the number of certificates issued et cetera. So I think the same can be done for plumbing and that would be of great benefit to the public.

**CHAIR:** But that is a choice of the Plumbing Industry Council, is it not? There is nothing in law? There is no head of power that says that you have to do that?

**Mr Brumby:** No, there is not. But the Plumbing Industry Council is there to help protect public health and safety in this area. There is no reason that we would not publish that sort of information.

**CHAIR:** But there is also nothing that says that you have to publish that information, is there?

**Mr Brumby:** That is true.

**CHAIR:** Will you come back to us please with some determination on whether you intend to keep publishing this information or whatever transparency policies you might now seek to put in place and whether or not you will seek some sort of regulation or amendment to the law that would actually require you as the Plumbing Industry Council to have this transparency in place? Would you please consider that?

**Mr Brumby:** Yes, we will report back to the committee.

**CHAIR:** Thank you.

**Mr GIBSON:** I recognise the time. This is one of the fundamental problems we have with omnibus bills. The committee is very genuinely wanting to address the material that is in it. We find ourselves limited by the time that we have available to deal with such a broad range of issues. If it is appropriate, I would like for us to arrange a time to discuss the other elements which we have not discussed. I do believe there are issues that we have not been able to touch on. If we can liaise with the departmental officials and, taking note of our own timetables, arrange another public briefing, I think that would be wise.

**CHAIR:** Members of the committee, do we agree with that?

**Mr EMERSON:** I support that, Madam Chair.

**CHAIR:** Could we please advise the officers who are here today that will be recalling you to this committee. It will be a fairly fast recall. We will also be examining further the plumbing issues and particularly the dogs and cats issues. I will advise you that Scott is a former dog trainer with the RSPCA and he has some specific issues that he would also like to ask questions on. Can I please ask who from the department will be specifically answering those questions in relation to dogs and cats?

**Mr Hastie:** I will answer any questions you have about cats and dogs and am happy to do so.

**CHAIR:** Bill, thank you very much for being with us today. We may also have some further questions in relation to super.

**Mr Hastie:** Certainly.

**CHAIR:** We thank the officers for being here with us. You have answered our questions in quite some detail. You will be aware that many of us on this committee have quite deep-seated commitments to openness and transparency. We also have quite deep-seated commitments in relation to employees' rights and making sure that any of those issues are in guidelines or, if not, in the bill and regulations. Thank you very much for being with us today.

**Committee adjourned at 10.34 am**