Speech by

Hon. Cameron Dick

MEMBER FOR GREENSLOPES

Hansard Tuesday, 22 March 2011

ELECTRICAL SAFETY AND OTHER LEGISLATION AMENDMENT BILL

Hon. CR DICK (Greenslopes—ALP) (Minister for Education and Industrial Relations) (6.25 pm), in reply: I thank all honourable members for their contributions to this important Electrical Safety and Other Legislation Amendment Bill. The focus of the bill is on improving electrical safety in Queensland and it is another example of Queensland leading the nation. Queensland is implementing a new national framework for electrical safety. We have led the debate nationally and we will be the first jurisdiction in the Commonwealth to implement these new arrangements. I am very pleased to be part of a government that not only continues to deliver for Queenslanders but also is leading the nation in many respects.

I turn to a number of specific matters raised during the second reading debate, hopefully in an attempt to address those issues prior to the committee stage so that we can pass quickly through that stage of the debate. The member for Currumbin raised concerns about the cost of the new registration scheme. I advise the honourable member that all of the state and territory governments involved were very careful to ensure that the costs would not be prohibitive, but would be adequate to cover the cost of the changes to the regulations.

Industry was consulted extensively through the review process by regulators collectively and this bill has the support of the electrical, manufacturing and supply industries in both Australia and New Zealand, which is a valued partner in electrical safety. As a result, a set of workable transitional arrangements have been included in the bill to allow industry to comply and to ensure that electrical equipment supply in Australia and New Zealand is not interrupted by these important changes in the law. While there are some new costs to the industry, these are relatively minor and are more than outweighed by the estimated cost savings of the new Electrical Equipment Safety System. The new system aims to reduce regulatory burden by introducing a uniform legislative regime throughout Australia and New Zealand, eliminating the state-by-state requirements of the current system, which is a cost saving to industry over the current system and something that industry welcomes.

The proposed system will introduce a three-tiered risk based classification system. This will create significant opportunity for savings for suppliers of electrical equipment as the regulatory requirement for equipment will be proportionate to the level of risk. The Electrical Regulatory Authorities Council, the national council of Australian and New Zealand electrical safety regulators, estimates that approximately 20 of the current 60 categories of prescribed equipment will be redesignated as medium risk. This will result in less onerous regulatory requirements and will ultimately speed up the process for industry to get equipment into the market. About one-third of current categories will be designated as medium risk, which will be of benefit to industry and consumers.

The bill removes the current requirement for prescribed items to be marked with an approved number. This will result in a reduction in costs for industry. Under the new system, equipment that complies will be marked with a regulatory compliance mark, otherwise known as the RCM, and will be registered on the national register rather than have individual approval numbers printed or etched onto the equipment itself. I hope that members of the Liberal National Party acknowledge that as a significant reduction in red tape for all business in Australia. Often from the LNP we hear criticisms about red tape and the cost to

business. This reform will reduce the cost to business. I look forward to their acknowledgement of the Labor government's initiative in this regard, but will not hold my breath.

The proposed scheme will introduce some new costs to industry via new registration fees. They include an equipment registration fee of $75 per annum. This registration fee is applicable for levels 2 and 3—that is, high- and medium-risk electrical equipment, with a responsible supplier registration fee of $200 per supplier per annum. They seem reasonable fees in all the circumstances. Any cost increase to the consumer would be negligible considering the number of products expected to be sold from one product registration. I have been advised by the Consumer Electronics Suppliers Association that the expected amount to be paid in registration fees is between $2 million and $4 million. Queensland's share of this, on the basis of 16½ per cent of the population, would be about $400,000, which is not an unreasonable imposition for a significant reform like this.

Industry supports these reforms, but as part of the consultation on the bill has asked that there be increased check testing by the regulators. These registration fees will contribute to the increased number of investigators and the cost of check testing. It is a user-pays system and registration fees will cover the increased compliance activities. The increased fees will pay for two to three extra inspectors, a check-testing program and database maintenance. They are very significant reforms and are important for the safety of consumers.

Hon. CR DICK (Greenslopes—ALP) (Minister for Education and Industrial Relations) (8.04 pm), continuing in reply: Before the adjournment of the debate on this bill I was addressing some issues raised by the member for Currumbin. She asked if the spot testing was one of the modest costs to be borne by suppliers in the new electrical safety regime. As I have explained, the registration fees will pay for increased surveillance and testing. In addition, costs can be recovered from the manufacturer or importer if the product fails the testing. This is already in the current Queensland legislation. However, the other jurisdictions will now adopt the Queensland position and this will now apply across Australia and New Zealand.

The member for Currumbin also asked about the transitional arrangements and what is entailed and what are the time frames. Transitional arrangements are necessary because this is a national scheme and the other jurisdictions will take time to enact their own legislation based on the Queensland act, which will be the first in the nation. The scheme will commence once those jurisdictions' laws are in place. Industry will then have six months to register. The marking requirement or regulatory compliance mark will commence after three years. This will allow time for manufacturers to include the mark on their products. There are already 22 existing marks which are required for products, and this will continue in force until the new regulatory compliance mark becomes law so there will not be a period where no marking is required.

The member for Currumbin raised concerns about the local government amendments and asked how the 1993 award would improve working conditions for workers. I found that inquiry quite surprising given the support of the Liberal Party and the National Party and the Liberal National Party for the federal Work Choices legislation, but I will take her on face value as I said I would in this debate and address her concerns. This award has been in the state system since 2008 applying to other local governments covered by earlier legislation. This bill merely extends its application to local governments that could not be covered by it in 1998 because of the status of them as non-constitutional corporations.

The member for Currumbin also asked about the timing of these amendments and accused the state government of delay in bringing these reforms. As she would no doubt be aware as someone who has served in the parliament for quite a while now and now as the shadow industrial relations minister, the Queensland parliament cannot pass legislation to override federal legislation and cannot in fact enact that part of the legislation until the federal legislation sunsets on 27 March this year. That is of course because Commonwealth law overrides state law and any state law that is inconsistent with Commonwealth law is invalid. It is only now that we can act and it is now that we must act to ensure that these particular local government councils continue to have the benefit of their industrial instruments immediately after they cease on 27 March 2011. These amendments will ensure that their arrangements continue in the state system when the federal instruments cease. The member for Currumbin also asked about how long service leave will be calculated by the government. Long service leave is of course calculated in accordance with the minimum statutory entitlements under the Industrial Relations Act 1999 or in accordance with the applicable industrial instrument. The bill will not affect long service leave entitlements. So however long service leave was calculated on 26 March, that will be how it is calculated on 27 March.

The member for Currumbin asked some very operational and specific questions about the operating budget of the Queensland Workplace Rights Ombudsman. Most of that information is available from the relevant website, as was pointed out during the debate by the member for Waterford, and it is also covered in the reports that are regularly tabled in the parliament by me as the relevant minister for the Queensland Workplace Rights Office and the Queensland Workplace Rights Ombudsman. However, I can advise the honourable member that the budget for annual employee expenses for the Queensland Workplace Rights Ombudsman is $918,100. The expenses of the Ombudsman are separate. The overall staffing has remained unchanged.

The number of calls to the hotline increased in the quarter ended 30 September 2010—a 20 per cent increase—when compared to the previous June quarterly data. The trend identified in previous quarterly reports has continued in that the level of demand and follow-on service delivery continues at a high level and still exceeds the initial expectations and plans for service delivery when operations of the Queensland Workplace Rights Office commenced on 1 July 2007. The Queensland Workplace Rights Office was initially set up to handle 6,000 projected inquiries per annum. However, the September quarter hotline data—that is, the September quarter ended 30 September 2010—indicates a contact rate 2½ times greater than the initial anticipated volume of calls that totalled 3,730 for the September 2010 quarter, which is interesting when one looks back at the annual projection of 6,000.

The quarterly website visitor numbers have increased from 4,795 in September 2007 to 16,446 for that quarter—a 243 per cent increase—with 84.72 per cent of the visits to the website being new visits. I also advise the honourable member that the Queensland Workplace Rights Ombudsman has conducted 1,414 investigations since 2 July 2007 and that 68 investigations were carried out in the quarter to 30 September 2010, the most recent reporting period for the office.

The member for Gaven raised a number of concerns. He was concerned about the definition of 'reasonable monitoring' in relation to the national database. This provision was drafted by the Office of the Queensland Parliamentary Counsel and was agreed to by all parliamentary counsel across Australia via a nationally agreed process. The member also raised concerns about the amendments to the Industrial Relations Act—concerns that were addressed comprehensively by the amendments that I circulated in the chamber earlier today and upon which I briefed the opposition spokesperson.

I turn now to the contribution of the member for Gladstone. She asked the reason for the restriction to be placed on the Queensland Workplace Rights Ombudsman's ability to conduct industry reviews. The position of the Queensland Workplace Rights Ombudsman and the Queensland Workplace Rights Office were established in July 2007, as all honourable members would know, primarily in response to the very egregious Howard government's unfair Work Choices legislation. The Workplace Rights Ombudsman and the QWRO were established to monitor the effects of Work Choices on Queensland workplaces, to highlight any inadequacies in the Work Choices legislation, to promote fair industrial relations practices and to provide a one-stop shop offering advice and information to Queensland's employers and employees.

Today the bulk of the Workplace Rights Ombudsman's work falls within the areas of providing information to employers and employees and investigating allegations of unfairness in the workplace. The Workplace Rights Ombudsman also has the power to conduct industry-specific reviews. However, other bodies are also able to conduct industry-specific reviews and may be better placed to do so, including the Queensland Industrial Relations Commission and the federal Fair Work Ombudsman.

By providing for industry-specific reviews at the request of the minister, the bill provides that the resources of the Workplace Rights Ombudsman and the Queensland Industrial Relations Commission are used to best effect for the benefit of Queensland workers. The bill enables the minister to direct resources to high-priority areas and to reduce the potential for overlap.

The member for Gladstone also raised issues about the complaints mechanisms and the changes to that. Of course, the individual complaints mechanisms remain unchanged. It is really only in relation to industry reviews that there has been a change.

The member for Gladstone also commented on the 21-day appeal period for workers compensation appeals. This amendment merely clarifies the position that was thought to exist previously. It was always believed that the 21-day appeal period ran from the day of the decision in accordance with the Industrial Relations Act. There was some uncertainty; however, this amendment clarifies the position very clearly.

The Queensland government has been very active in ensuring the electrical safety of all Queenslanders. That began prior to 2002 and we continue with that sort of reform with this very important legislation.

Madam Deputy Speaker, in closing I thank you for your attentiveness during the debate and the attentiveness of all other honourable members to this very important address by me in the parliament tonight. I also indicate that I intend to propose amendments in the consideration in detail stage to clarify the drafting concerning the amendments in relation to local government. Can I assure all honourable members that these amendments are being moved in the parliament on the basis of advice from the Office of the Queensland Parliamentary Counsel. It is the Office of the Queensland Parliamentary Counsel that is recommending these amendments to ensure that the policy intent of the legislation is beyond question. I take the advice of the drafters on that sort of issue in moving those amendments. I intend to move the amendments en bloc, because they all relate to a single clause in the bill.

I also intend to propose amendments in the consideration in detail stage for the provisions in the bill relating to workers compensation appeals. Can I assure all honourable members that those proposed

amendments will retain the status quo regarding the scope of appeal and follow further consultation with stakeholders, which is an important part of the parliamentary process. It might be difficult for those outside the parliament to fully appreciate the nature of the legislative process if they have not served in this place. Can I suggest that that is very clearly the reason legislation lies on the table of the House for a minimum of two weeks under the standing orders—so that all members of the Queensland community can comment on legislation. That is why, having received further feedback in consultation, I will be moving that amendment this evening.

I thank all honourable members for their contributions to the debate tonight. I thank all of the officers who have contributed significantly to the preparation of the bill. I am very grateful for their contribution in the preparation of this bill.