




Speech By
Mark Furner

MEMBER FOR FERNY GROVE

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PAYROLL TAX REBATE, REVENUE AND OTHER LEGISLATION AMENDMENT BILL

 **Mr FURNER** (Ferny Grove—ALP) (5.06 pm): I rise in support of the Payroll Tax Rebate, Revenue and Other Legislation Amendment Bill 2015. I will start by commending the members of the Finance and Administration Committee for their hard work on this particular bill. As we have heard today, it is an omnibus bill, which is particularly large in fact, in regard to the many amendments of the particular bills that have been explained today—the Criminal Law (Criminal Organisations Disruption) and Other Legislation Amendment Act 2013, the Duties Act 2001, the Environmental Protection Act 1994, the First Home Owner Grant Act 2000, the Financial Accountability Act 2009, the Payroll Tax Act 1971, the Plumbing and Drainage Act 2002, the Taxation Administration Act 2001 and the Water Supply (Safety and Reliability) Act 2008.

These amendments include provisions of a payroll tax rebate on the wages of apprentices and trainees; giving support to electronic conveyancing in Queensland; providing legislative support for the duties concession on farm-in agreements; delaying the commencement of the provisions aimed at excluding motorcycle gang members from working in certain licensed occupations; requiring plumbers to install water meters; and a number of other administrative amendments. All of these amendments are based on our election commitment to provide a suite of necessary changes in Queensland.

The committee received 18 submissions and spoke with numerous stakeholders during the course of its inquiry, which was held on Wednesday, 6 May. The government members accepted that the bill should pass. However, non-government amendments considered that they could not support some of the amendments proposed in the bill. The committee made five recommendations—and we have heard the government's response from the minister today—which will enhance the practical operation of the amendments and ensure that stakeholders' concerns are addressed.

During the committee's deliberations the committee no doubt could not reach an agreement on whether to recommend that the bill be passed, but it did reach a consensus agreement on the proposed amendments to the Duties Act 2001, the Environmental Protection Act 1994, the Financial Accountability Act 2009, the First Home Owner Grant Act 2000, the Payroll Tax Act 1971 and the Taxation Administration Act 2001.

The committee did not agree on the proposed amendments to the Criminal Law (Criminal Organisations Disruption) and Other Legislation Amendment Act 2013, the Plumbing and Drainage Act 2002 and the Water Supply (Safety and Reliability) Act 2008, and those reasons have been outlined in the committee's report. The cost of the implementation of the payroll tax amendments is to be funded through a \$45 million allocation over three years. This is expected to be sufficient to cover the estimated reduction in payroll tax revenue over the 2015-16, 2016-17 and 2017-18 financial years.

There is not a lot of time today to go through each and every amendment, so I am just going to focus on a few of these, firstly, the amendment to the First Home Owner Grant Act 2000, which is covered by clauses 59 to 61. The legislation is to be amended to ensure that the statutory discretion that is given to the Commissioner of State Revenue to vary the period of, or exempt an applicant from, the residence requirements which form part of the eligibility criteria under the FHOG Act can be exercised at any time.

The Masters Builders expressed some concerns about the application of the definition of 'new home' in the act. The department responded to that concern, indicating that when the First Home Owner Grant changes were made to remove the availability of the grant for what are classed as existing homes and limit it to only new homes, changes were made in relation to those definitions. In particular, previously there were provisions that related specifically to what are classed as 'relocatable homes' in determining the policy parameters of those amendments. It was decided that relocatable homes were not new homes.

The department also indicated that prior to 2012, the FHOG was available for new and existing homes and a contract for the purchase of a relocatable home was treated as a contract to have a home built. However, when the FHOG was restricted to new homes only and the Great Start Grant, this particular provision in the FHOG Act was removed. The committee no doubt was satisfied that the amendments to the First Home Owner Grant Act 2000 were appropriate. The committee found that the purpose of the First Home Owner Grant is to develop new housing stock and it agreed that, whilst substantial work may be undertaken on relocatable homes, it does not increase new housing stock as part of that process. The committee no doubt agreed that the definition was appropriate, given the stated purpose of the act.

As we have heard before in this chamber, recently released ABS figures over the last quarter have pointed to an increase in the construction of new homes, units and apartments in Queensland. According to the ABS data, the construction of new homes rose strongly, by 27.2 per cent, in the March quarter to \$1.59 billion, the highest level since the June quarter of 2010. This was also accompanied by the construction of new medium to high density dwellings, which continued to trend upwards to 16.1 per cent over the year. With these amendments to the First Home Owner Grant, no doubt this will lead to ABS figures further increasing.

With respect to the amendments to the Payroll Tax Act 1971, the Treasurer, in introducing the bill, indicated that this government recognises that apprenticeships and traineeships provide a great employment pathway, particularly for young Queenslanders. Fellow speakers from this side certainly expressed that view while doorknocking or communicating with their electorate during the campaign period. We heard firsthand of the need for job creation, particularly in this space. As an incentive to employers to hire apprentices and trainees, the government's election commitments included the introduction of a 25 per cent payroll tax rebate on the wages of apprentices and trainees funded over three years in addition to the existing exemption for apprentice and trainee wages.

Interestingly, during the inquiry the committee heard from the National Retail Association, who explained that the proposed payroll tax rebate is likely to encourage retailers and service industries in Queensland to engage more apprentices and trainees during the three-year period in which this incentive will apply. They said during the inquiry—

This will assist in increasing levels of employment in Queensland—particularly of younger workers—and in the NRA's view, will improve the quality of services provided by those employees once they complete their apprenticeship or traineeship. This can only have positive effects on businesses employing those workers and on the Queensland economy in general.

The last time that I was involved with the National Retail Association in a former career they employed employees in Aldi, Supercheap, Coles and Woolworths. We are talking about major employers that employ major groups of employees, whether they be trainees or apprentices. We are talking about thousands and thousands of jobs and thousands and thousands of opportunities for those businesses. Just the other day I was talking to the CEO of the National Training Group, Chris Zorzo, who indicated that in his line of work 1,450 jobseekers and current employees have been trained in Certificate III in warehousing and logistics and in administration. No doubt in the future this initiative that the Palaszczuk Labor government has put in place will enhance their opportunities to gain traineeships in warehousing and logistics and in administration as well. As the interest grows and also as the information is filtered out into the communities, no doubt employers and training organisations will get greater opportunities to have this incentive rolled out and to make improvements for their particular employees.

In closing, the other amendments that I want to touch on briefly are the amendments to the Criminal Law (Criminal Organisations Disruption) and Other Legislation Amendment Act 2013. No doubt this is a matter that at some stage should come before the committee that I chair, the Legal Affairs and Community Safety Community. I think it is proper to hold this in place and to consider the views of the stakeholders and also the Attorney-General's task force. No doubt that task force will hand down a summary of the effect on this particular area, so it does not force or cause complications with this particular aspect of this payroll tax bill in the future.

(Time expired)