




Speech By  
**Michael Crandon**

**MEMBER FOR COOMERA**

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Record of Proceedings, 2 June 2015

**PAYROLL TAX REBATE, REVENUE AND OTHER LEGISLATION AMENDMENT  
BILL**

 **Mr CRANDON** (Coomera—LNP) (3.17 pm): I rise to make a contribution to the Payroll Tax Rebate, Revenue and Other Legislation Amendment Bill 2015. I take the point made by the member for Bulimba when she said that we had conversations in the committee about various contributions to various people. She indicated that it would in no way, shape or form sway her decisions in relation to this matter.

A little while ago I was looking at the introductory speech of the bill where the Treasurer and Minister for Industrial Relations said, 'This government made a commitment at the recent election to restore high standards in Queensland's plumbing industry.' He went on to say that they 'will realise this election commitment by requiring the installation of water meters to be performed by licensed plumbers'. We will be the only state in Australia where only licensed plumbers will be required to install water meters—the only state in Australia that is going backwards in time. But I can assure you, Madam Deputy Speaker, as evidenced by the front page of the *Courier-Mail* this morning, as can be seen, the Treasurer was well and truly in bed with the Plumbers Union. They knew what side their bread was buttered on. That was most certainly the case.

First of all, I acknowledge the secretariat and the other members of the committee. There was some interesting debate in the committee and interesting questions were asked across the various witnesses that came along. I will just briefly talk about one area, and that is the apprenticeships and payroll tax issues. I commend the Minister for Industrial Relations for confirming that they do have a few other things on foot as far as increasing the number of apprentices and trainees in the state of Queensland is concerned.

Let's make a comparison. I know the Deputy Leader of the Opposition made this comparison a little earlier but it is worth talking about again. This is from the Queensland government's Office of State Revenue document titled *Incentive rebate—apprentices and trainees*. The typical expectation is for \$600 to go back to an employer, and that is limited to 11,000 businesses in the state of Queensland. So they will get \$600 for bringing on an apprentice. Let's compare and contrast that with the 414,000 businesses that we have in the state of Queensland and the \$6,000 that 6,000 of those businesses were able to take advantage of when the LNP was in government. May I say that it was our intention to increase that number by a further 6,000 in this coming term. Sadly, the businesspeople of Queensland and the apprentices of Queensland did not get that. It is going to be restricted to 11,000 businesses and it is going to be \$600—\$600 versus \$6,000. There is a big difference in the incentives there.

I now want to talk about the plumbing issue, which is the issue that I took particular interest in because of the toing and froing that we saw between the two sides of the argument, if you like—those that wanted to go backwards in time, and that was the Labor government and the unions, and those that wanted to go forward in time and think about the people of Queensland in relation to a

common-sense approach and a modern approach to the idea of installing water meters. In February 2014, Mark McArdle made the point—

The bill amends the Plumbing and Drainage Act 2002 to clarify that authorised persons can be appointed by a service provider to install water meters on the service provider's infrastructure, in addition to licensed plumbers.

So it was in addition to licensed plumbers. It is an option. You could bring a licensed plumber in if you so chose. He went on—

These authorised persons will need to have appropriate training or expertise and must be competent to undertake the work safely and mitigate risks to public health.

That says it all really. That is exactly what has been happening. The evidence points to that, and I will talk about evidence in a little while. A media release from the honourable Mark McArdle at that time stated—

The legislative changes have also resolved long-standing confusion in the industry by clarifying that a service provider's authorised person can install primary water meters.

So it was to clarify legislation brought in by the previous Labor government that caused confusion. The situation back then was to sort out the mess and confusion that was made by the other side of the House. Interestingly, again going back to that time, the Department of Health provided advice to the State Development, Infrastructure and Industry Committee in relation to this particular bill. The allegations that they were responding to were 'concerns regarding the potential impact on public health and possible inconsistencies with the regulatory approach adopted by other Australian states and territories'. They stated—

The Department of Health has investigated these concerns and concluded that there is no evidence that the proposed changes would have an adverse impact on public health, nor be out of step with the regulatory approach by other jurisdictions.

We asked the question and they came back and made those statements. Interestingly, talking about the health implications, they stated—

It has been argued that permitting use of appropriately trained water industry workers will 'significantly exacerbate' the risk of contamination of drinking water ...

And they go on to debunk that. The Plumbers Union did not provide any information on this, but I note going further the discussion about cross-connections between drinking water and recycled water. Once again reading from the response by the Department of Health, they stated—

Examination of incident reports from both Gold Coast Water's Pimpama-Coomera scheme and Unitywater's dual reticulation schemes in SEQ over the past few years has shown that cross connections have resulted from work performed both by licensed plumbers and other non-licensed personnel ...

So their examination has established that licensed plumbers and non-licensed personnel have been the people who have made the mistakes. I will come to that in just a moment. It may very well be that the training of plumbers may give us an answer to the reason why they have made those mistakes. They continued—

... these incidents are rare and there have not been sufficient incidents to draw generalised conclusions concerning risk.

Then we go on to other jurisdictions. Once again, I quote from the response to the last committee by the Department of Health—

Advice from the Water Services Association of Australia (the peak industry body for the urban water industry) confirms that Queensland is currently the only jurisdiction in Australia that restricts installation of water meters to licensed plumbers. In all other jurisdictions water meters may be installed by either the relevant water service provider or by a licensed plumber.

There is the confirmation. They did the work back in 2013 and 2014. They have come back and said, as their last words—

The Department of Health therefore supports—

or supported then—

the proposed changes.

There it is. There is the evidence. The evidence was listened to. The changes were made and we moved forward from there.

On another subject, I heard the argument from the Plumbers Union in particular that we do not have enough plumbers in the state and things of that nature. I suggest to the Plumbers Union that, if we were to take this particular aspect of water industry work away from plumbers, perhaps they would then be able to get on with the more important and certainly complex aspects of plumbing—that is, of course, plumbing new homes and doing the work that they would normally do.

Coming back to the evidence, the LGAQ talked about the issues that they were being confronted with, and the committee was being confronted with, that were derived from the unions. The LGAQ said—

At no time in this debate has it even been established that the current arrangements have resulted in adverse outcomes impacting on public safety, water quality or water supply security. Indeed, the examples of cross-connections and incidents involving the installation of water meters put forward previously were during a time when only licensed plumbers were permitted to do the work.

So it was either a licensed plumber doing the work or someone doing the work illegally, not a properly trained or properly overseen or experienced water meter installer doing the work. It was either someone who was doing it illegally or a plumber making the mistake. All of that material was brought forward by the LGAQ and others. It goes on. I will not spend time on it, except to point out that the LGAQ made the point, and a very strong point, in one of their submissions and they gave an example—

Should the changes proceed as proposed, councils that do not currently employ a licensed plumber would be required to employ one at tremendous expense. An example of the nature of this expense was found after speaking with the CEO of Barcoo Shire Council. They have a plumber on contract from Toowoomba who works 3 weeks on and 2 weeks off at a cost of \$100,000 per annum salary. However, the costs of a Council vehicle, accommodation, and other expenses makes the full cost closer to \$200,000 per annum.

The LGAQ talks about various other things. It makes the point once again that the Department of Health stated it was not aware of a single drinking water quality incident—all of which must be reported—that can be attributed to meter installation by either licensed or unlicensed persons. So no-one could find any issues with regard to all of those things that had to be reported.

What about the impact as outlined by Queensland Urban Utilities on employees? The chief executive officer of Queensland Urban Utilities provided a written submission that noted approximately 28 employees or contractors would be affected by these changes. The QUU would incur additional transitional costs of at least \$1.4 million and an annual cost increase of \$1.7 million. The cost per customer connection would increase by approximately \$150. As such, the QUU sought an implementation time frame of up to five years.

All of these costs and issues were raised as a major issue and something that the Treasurer had to bring into this House in the first 100 days, as is evidenced, if I recall rightly, in his speech so we could fix this problem. What problem? There was no problem. I note also that Urban Utilities has advised that it currently services 557,000 properties in its geographic service territory. As part of that service, it reads 518,877 active water meters. How many complaints has it had? There have been 89. From 518,887 meters it received 89 complaints in 2013-14 and in 2014-15, 146 complaints. Its submission states—

... Queensland Urban Utilities is obliged to comply with strict regulatory obligations which include compliance with drinking water quality standards under the statutory mandated drinking quality management plan.

They have a process that they go through to deal with all of those issues that are brought to their attention. When I say 'all of those issues', I am referring to 146 this financial year and 89 last financial year. They talked about one issue that was brought to the attention of our committee by the unions. It was to do with the Airportlink and an error in the way something was plumbed. We do not know whether it was a plumber inside Airportlink who did it, but it certainly was not Urban Utilities that caused the problem. It was most definitely Airportlink contractors who made the mistakes in that particular case, and they just wanted to debunk that issue.

The MPAQ in their submissions and in the conversations we had with them talked to us about the Gold Coast. Gold Coast Water recorded at least eight cases of cross-connections in the Pimpama-Coomera area. That area is part of my electorate. It is a beautiful area. It is the fastest growing area in Queensland. In fact, it is probably the fastest growing area in Australia. I would suggest there was something awry going on there because it was not, as it turned out, a properly qualified and trained person who had created the problem. It was someone other than that. Granted it was not a plumber, but it also was not a properly qualified individual either. It was possibly someone who was trying to run a scam in plumbing their house so it looked like potable water was going to the house, but they had switched the pipes over.

What, in fact, is happening is they are getting potable water to the house but it is coming through the A-class water meter. The A-class water meter is, in fact, plumbed to the other side so the end result is that they are getting free water. Recycled water is free of charge. There is no charge for it at all. People were perhaps making the decision to switch their meters over, quite illegally—nothing to do with a registered, properly trained individual; nothing to do with a plumber. People were just switching them over to try to save a few bob on their water bill.

The MPAQ talked about the Gold Coast, something that happened in Moreton Bay, something that happened in Brisbane and the airport tunnel in 2010, 2011 and January 2012. All of these things occurred well before this legislation was brought in. There is not one single piece of evidence from any plumber across the state or from anyone in the unions to establish that a mistake has been made by properly qualified and trained individuals—not one.

The Plumbers Union sent us some information. To paraphrase, they said the plumbing industry was strongly opposed to the changes in the first place due to the many risks associated with performing this type of work if performed by an insufficiently trained person. We agree. If they are insufficiently trained, do not let them do the work. But they are sufficiently trained. They are adequately trained. There are training modules available, and I will come to that now.

The evidence that I have been reading from the previous committee and this one suggests that the fitting of water meters is an optional module for plumbers. They do not have to do that module. Let us follow that through. We could argue that not all plumbers in Queensland are qualified to fit water meters because they have not done that particular module. Yet that module is available to them and to other people who will be properly and sufficiently trained in the fitting of those meters. I put it to the House that the evidence supported leaving things in place, not changing what we had. All of the positive evidence came through to support that. The evidence to go back to the past only came from the unions and was accepted by those opposite.