




Speech By
Patrick Weir

MEMBER FOR CONDAMINE

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

 **Mr WEIR** (Condamine—LNP) (3.58 pm): I rise to make a contribution to the Payroll Tax Rebate, Revenue and Other Legislation Amendment Bill 2015 as a member of the Finance and Administration Committee. The bill amends the Payroll Tax Act 1971; Duties Act 2001; Taxation Administration Act 2001; First Home Owner Grant Act 2000; Financial Accountability Act 2009; Criminal Law (Criminal Organisations Disruption) and Other Legislation Amendment Act 2013; Environmental Protection Act 1994; Plumbing and Drainage Act 2002; and Water Supply (Safety and Reliability) Act 2008.

Clause 2 of the bill would delay for 12 months some of the amendments in the Criminal Law (Criminal Organisations Disruption) and Other Legislation Amendment Act 2013. These amendments were aimed at excluding outlaw motorcycle club members from working in certain occupations covered by the act. The government has announced that a task force, headed by Mr Michael Byrne QC, which will report to the government by 30 November 2015, is being established to review the current act. Whilst the government members of the committee supported the delay, the LNP believe that the current legislation should be enacted whilst it remains in place.

We are of the belief that to not enforce the current legislation may influence the outcome of the proposed review. There are already reports of outlaw motorcycle gangs looking to re-establish themselves in Queensland, and any softening of laws that would encourage them to return will be opposed by this side of the House.

Clauses 6 to 14 of the bill make amendments to the Duties Act 2001 to include the introduction of electronic conveyancing in Queensland. Conveyancing has traditionally been completed by the parties involved and their solicitors appearing at the titles office. Electronic conveyancing will allow these documents to be lodged electronically at the titles office from an office or from home, saving both time and expense. To counter any possibility of error or fraud, all data will be submitted and transmitted between each subscriber and person participating in the transaction in real time, with verification of data returning at each stage to ensure the document details are accurate.

Queensland Treasury and Trade stipulated that, as electronic settlement is untested in Queensland, transfer duty endorsement on an ELN will only be allowable for residential conveyance transactions. This will be an alternative to the current process, not a replacement. Anyone wishing to operate in the traditional way can continue to do so. With much of our business being conducted electronically today, adjustments to legislation similar to this will occur from time to time. The committee supports these amendments.

Clause 15 seeks to make changes to the Duties Act 2001 to include concessional treatment for agreements for the transfer of exploration authorities under certain farm-in agreements in the resource sector. In January 2012 the government announced that exploration authorities would

become dutiable. Following a submission from the Queensland Resources Council and industry consultation by the Office of State Revenue, the government announced in September that a concession would be provided for farm-in agreements.

Queensland Treasury undertook preconcession consultation on the possible concessional treatment for farm-in agreements from February 2012 to August 2012, receiving submissions from the Queensland Resources Council and the Australian petroleum and production authority, and liaised with other states on the concession provided in their jurisdictions. The Office of State Revenue then developed a concession model reflecting the predominant farm-in practice as advised by the industry.

During the committee hearings some of the submitters expressed concern over the administrative complexity of the bill and stated that they believed some of the provisions risk stifling the exploration activity that the concession was designed to promote. The committee believes that there is a need for better communication and consultation with stakeholders. Stakeholders require access to information that is written in plain English and is easy to comprehend. Much of the confusion is due to a lack of understanding and knowledge. It was pleasing to hear the minister acknowledge that when he spoke to the bill earlier.

Clauses 47 to 51 make amendments to the Environmental Protection Act 1994 to allow for the cancellation of transitional environmental programs or a temporary emissions licence. Transitional environmental programs are used when an environmental authority holder is not operating in accordance with their licence and allows a transition period to reach or return to compliance. There are currently no provisions to cancel an approval for a transitional environmental program when the operator and the administering authority have agreed on other measures to achieve compliance or the licence is no longer required.

Transitional emission licences are used in emergency circumstances such as the urgent release of water in flood situations. These licences are intended to be used for only a short period and only for a specific purpose or circumstance and can be cancelled if they are misused. However, there is no provision to cancel a transitional emission licence when it is no longer required and other measures are available to comply with the Environmental Protection Act. Industry supports these changes, as does the committee.

Clauses 64 to 67 make amendments to the Payroll Tax Act 1971. These amendments were part of the Labor Party campaign to increase the uptake of apprentices and trainees and included a payroll tax rebate of 25 per cent on wages paid by an employer as part of an incentive scheme for any new apprentices or trainees employed. Whilst the attempt is commendable, those who lodged submissions and the committee felt that the scheme as it stands is too restrictive. The rebate will only be accessible by businesses that have a wages bill of over \$1.1 million and are subject to payroll tax. Currently only 11,000 businesses in Queensland pay payroll tax. This represents three per cent of the business community in the state. This is a statistic the Chamber of Commerce and Industry noted in its submission, in which it stated—

... with only a minor proportion of Queensland's business community eligible to benefit from this payroll tax rebate initiative, the opportunity to meaningfully impact apprentice and trainee numbers is significantly diminished, with the State Government relying on this demographic alone to increase their intake of apprentices and trainees.

Furthermore, the chamber noted that the previous government's scheme of a \$6,000 payment for hiring an apprentice or trainee was fully subscribed, resulting in 6,000 new apprentices. This amendment will only be able to be utilised by three per cent of the business community. The committee recommended that the minister consider investigating additional methods that would increase the opportunities for involvement by industry.

Clauses 71 to 74 and 84 to 87 make amendments to the Plumbing and Drainage Act. In 2014 the former LNP government introduced into the House a bill allowing a trained qualified person other than a plumber to install a water meter. The amendments proposed in this bill would reverse that decision such that all water meters would need to be installed by a qualified plumber. This amendment was supported by the Master Plumbers' Association and the Plumbers Union, who cited safety and water contamination issues. When they were asked by the committee for some examples of where problems had occurred, several cases were presented to the committee. Interestingly, all occurred before the 2014 amendments were enacted.

The Local Government Association of Queensland expressed concerns over the availability of qualified plumbers, particularly in regional centres, where in some cases plumbers would have to be brought in from other areas at additional expense simply to install a water meter. With the recent gas boom in the west, many towns have been left with very few or no local plumbers as they have gone to work in the CSG industry. The Local Government Association of Queensland said that it was unaware of any cross-contamination issues resulting from water meters being installed under the act as it currently stands. Qldwater noted in its submission that the policy clearly supports the re-establishment of a protected market for plumbers for work which is more appropriately managed by water service providers. It has been developed under the false premise of improving public safety. It is very hard to argue against that assumption. The committee, in my view, heard no evidence that would in any way necessitate the amendments being proposed in this bill.